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MILITARY AFFAIRS AND PUBLIC SECURITY

ANNIVERSARY OF ARTILLERY FORCE

BK291402 Hanoi Domestic Service in Vietnamese 2300 GMT 28 Jun 81

[NHAN DAN 29 June editorial: "Shock Force for National Defense"]

[Text] Exactly 35 years ago, the artillery force, one of the first technical branches of our army, was founded. With rudimentary guns, our artillery troops fired their first salvoes from Lang Fort, Hanoi, on 19 December 1946, opening our people's glorious nationwide resistance against French colonialist aggression.

Since then, the artillery force has constantly developed and become an important technical branch. During the two wars of resistance against France and the United States, as well as during the war for national defense against aggression by the Chinese reactionaries and their henchmen, the artillery troops have always carried out Uncle Ho's teaching "with brass feet and iron shoulder, fight well and shoot accurately." They have coordinated closely with other armed branches, especially the infantry; studied actively to firmly grasp science and technology; and scored numerous outstanding armed exploits.

With their valor and ever-improving mastery of technology, the artillery troops have constantly created good fighting methods. Fighting independently or in coordination with other armed branches, artillery combatants have operated on all battlefields, proved their high level of efficiency in combat and won the confidence and affection of cadres and combatants throughout the army.

The artillery force has today become an armed branch boasting a good organizational structure, fairly modern technical equipment and a developed command force and specialized technical elements. It has great fighting capability and strength. In combat and construction, the artillery units of the various armed forces have vigorously developed and effected close combat coordination between artillery elements of main force army corps and those of the militia and self-defense forces in the people's war. In the war of national defense against the Chinese aggressors, the artillery force has rapidly set up new battle positions, hit their targets with the very first salvoes and displayed a high level of combat efficiency with the resolve to defend every inch of the beloved fatherland.

In 1979 and 1980, carrying out the great movement launched by the Party Central Committee Secretariat, the artillery force was one of the armed branches that made firm progress toward achieving all five targets of the movement.

With its great achievements during the war for liberation and the war of national defense and in fulfilling its international duty, the artillery branch deserves the title "heroic unit of the people's armed forces" and the Ho Chi Minh Order. The achievements already recorded result from the correct application of our party's revolutionary line, military line and art of leadership, from the spirit of cadres and combatants of struggling constantly to master artillery science and technology, and from their enduring sacrifices, difficulties and hardships. The wholehearted affection and assistance of the administration and people and the close coordination provided by other armed services and branches--first of all by infantry units--are factors guaranteeing that our artillery force will mature and grow firmer and stronger.

At the first session of the Seventh National Assembly, Comrade Le Duan stressed the need to continue building the people's armed forces and to make them capable of serving as the pillar of the all-people national defense system and the core force in the people's war for the defense of the fatherland. The people's army must train intensively to become a powerful revolutionary army equipped with unshakable determination to win and an ever higher level of standardization and modernization. At the same time, it must make use of all available time to engage in productive labor in support of economic construction through appropriate methods.

As an important combat element of the armed forces, the artillery force plays a great role in national construction and defense. Along with the entire army, it must maintain a high level of combat readiness, constantly upgrade its standardization and modernization, fulfill its international duty and contribute to building the economy and the country.

Our national enemy--namely the Chinese expansionists and other imperialist forces--are nurturing their perfidious long-term design to weaken, conquer and annex our country. The artillery force must always maintain a high level of combat readiness and resolutely defeat the enemy under all circumstances. To fulfill its great duties the artillery force should be built into an armed branch that is firm politically and ideologically and strong in organization, leadership and command. It must firmly grasp science and technology and master its weapons and equipment.

The reserve artillery force belonging to the militia and self-defense forces must also be developed.

It is the responsibility of every cadre and combatant of the artillery force to strengthen solidarity and relations with the administration and people in the various localities and to carry out the motto "the army and people share the same will." In order to most effectively utilize guns, vehicles and other equipment and to ensure a high level of combat readiness, commanders as well as combatants must uphold their sense of responsibility and discipline and study hard to master science and technology.

With its heroic tradition, our artillery force will surely fulfill its glorious duty of defending the fatherland.

CSO: 4209/377

MILITARY AFFAIRS AND PUBLIC SECURITY

HANOI MAN GETS DEATH FOR FOOD STAMP FRAUD

BK281246 Hanoi Domestic Service in Vietnamese 0400 GMT 28 Jun 81

[Text] From 25 to 27 June the people's court of Hanoi municipality held a public hearing to try (Nguyen Xuan Tuyen) and his accomplices on charges of making and circulating counterfeit food stamps.

(Nguyen Xuan Tuyen), alias (Hung), 36, residing at 8A/3B Tan Mai Workers' Housing Complex, Hai Ba Trung District, Hanoi, had three records of theft of socialist property and assault for which he had served a 3-year jail sentence. Following his release from jail, (Tuyen) and his accomplices printed counterfeit food stamps of the type worth 5 kg of rice each from August 1979 to 13 March 1980. On the latter date, (Tuyen) and his accomplices--namely (Tran Duc Tu), residing at 9 Doan Ket Lane, Kham Thien Street, Dong Da District, and (Nguyen Thi Hop), residing at 25 Lane 295, Bach Mai Street, Hanoi--were caught red-handed with all the equipment they had been using to print counterfeit food stamps, consisting of 2 sets of printing plates, 8 cans of printing ink, 2 presses, 2 perforators, 80 sheets of large-size printing paper, 500 finished counterfeit food stamps of the type mentioned above and other miscellaneous tools such as magnifying glasses, scissors and rollers.

(Tuyen) admitted that he had used this equipment to print counterfeit food stamps. Over a period of nearly 6 months, (Nguyen Thi Hop) used these stamps to obtain almost 40 tons of grain with the help of (Nguyen Thi Hong), (Le Thanh Than), (Le Cuong) and (Tran Thi Van) in different provinces. A search of (Nguyen Thi Hop's) house resulted in the seizure of 1,055 kg of counterfeit food stamps. A check on (Hop), (Than), (Cuong) and (Hong) revealed that all of them had previous records of theft of socialist property and illegal dealing in food stamps and coupons.

Faced with the incriminating evidence and witnesses, all the defendants pled guilty, admitting that they had caused serious losses to the state and the people and upset the state's plan to release food stamps. The Hanoi people's court passed a death sentence on (Nguyen Xuan Tuyen). An 18-year jail term was given to (Tran Duc Tu) and (Nguyen Thi Hop). (Le Thanh Than) was sentenced to 6 years' imprisonment; and (Le Cuong) and (Tran Thi Van), 2 to 3 years' imprisonment.

All the defendants were also ordered to pay a fine of over 74,000 dong. (Nguyen Thi Hong)--who was found to be repentant of the serious crime of obtaining more than 4 tons of grain by using counterfeit food stamps and who now has to support her young children--was given a suspended sentence of 4 years' imprisonment.

CSO: 420/377

MILITARY AFFAIRS AND PUBLIC SECURITY

CRACKDOWN ON SALE OF PORNOGRAPHY URGED

Ho Chi Minh City SAIGON GIAI PHONG in Vietnamese 3 Dec 80 p 1

[Saigon People's Forum: "We Must Continue To 'Sweep Away' Harmful Cultural Products"]

[Text] Recently, we have noticed the public display along many streets of numerous items, pieces of sheet music and short stories of the U.S.-puppet period. Some relatively wholesome pieces of music and modern plays have been rendered deviant by additions or deletions.

The greatest danger is that some of these books are pornographic, decadent novels that retain their original cover or are disguised as scientific or technical books. The buyers of these books are usually teenagers and youths.

We suggest that the responsible agencies take determined steps to "sweep away" this trash and harshly deal with persons who sell illegal magazines and books. Every possible method must be employed to find the places that are storing, reprinting and putting these harmful products onto the market and appropriately punish the persons involved.

Pham Thi Thuc
(Hung Vuong Street, the 6th Precinct)

7809
CSO: 4209/196

MILITARY AFFAIRS AND PUBLIC SECURITY

BRIEFS

SONG BE ILLEGAL TRADE ACTIVITIES--Song Be Province has discovered 88 cases involving the transportation of contraband goods and 21 cases involving the speculation and hoarding of farm products and transportation of fake goods such as soaps, cigarettes and coconut oil. As a result, hundreds of thousands of dong have been recovered for the state. [BK300117 Hanoi Domestic Service in Vietnamese 0400 GMT 26 Jun 81]

DONG NAI WAR VETERANS--Dong Nai Province recently welcomed home the first batch of 375 combatants, including 14 women, who were returning to their birthplace after completing their military service. Most of the returnees have been tested and tempered in combat and have scored many outstanding achievements in defending the fatherland and fulfilling their international duties in Kampuchea. A total of 40 of them have been admitted into the VCP and many others into the Ho Chi Minh Communist Youth Union. [BK241255 Hanoi Domestic Service in Vietnamese 0400 GMT 20 Jun 81]

CSO: 4209/377

INTERNATIONAL RELATIONS, TRADE AND AID

'NHAN DAN' HAILS 18TH OAU SUMMIT IN NAIROBI

ON300823 Hanoi VNA in English 0710 GMT 30 Jun 81

[Text] Hanoi, 30 Jun (VNA)--Under the title "Progress Towards Independence and Freedom in Africa," the daily NHAN DAN today hails the 18th summit conference of the Organization of African Unity (OAU) which closed in Nairobi, Kenya, on 27 June.

The paper says:

"The conference constitutes a new success for the African peoples in defending their national independence, sovereignty, and territorial integrity, and in liberating the whole of their continent from every form of slavery of imperialism and colonialism.

"The recently adopted resolution of the conference condemned the Reagan administration for colluding with the colonialist and racist regime in Pretoria, which is opposed to the independent countries in southern Africa, and continues to illegally occupy Namibia..."

After recalling the attitudes of the OAU on other issues in Africa such as Western Sahara, Chad, etc, the paper continues:

"The resolution of the Nairobi conference also protested against the separate Egypt-Israel accords, condemned the Israeli expansionists for attacking Iraq's nuclear reactor, and affirmed solidarity with the Palestine Liberation Organization (PLO), the only authentic representative of the Palestinian people.

"Despite the various forms of pressure applied by the reactionary forces, the Nairobi conference has chosen Tripoli, capital of Libya, as the venue for the 19th summit conference of the OAU in 1982.

"The OAU conference in Nairobi was of important significance because it took place at a time when the Reagan administration, under the pretext of 'anti-terrorism' and coordinating action with the other imperialists and the Beijing reactionaries, was increasing its interference in Africa, and trying to sow divisions among the nations of that continent to the detriment of their national independence. From this conference emerged a trend in favour of solidarity against imperialism, colonialism, and apartheid, and of resolute struggle for independence, freedom and social progress."

CSO: 4220/335

INTERNATIONAL RELATIONS, TRADE AND AID

LEADERS GREET GDR COUNTERPARTS ON REELECTION

OW011515 Hanoi VNA in English 1459 GMT 1 Jul 81

[Text] Hanoi, 1 Jul (VNA)—Acting President Nguyen Huu Tho, National Assembly Chairman Truong Chinh, and Premier Phan Van Dong have sent a joint message of congratulations to Erich Honecker, Willi Stoph and Horst Sindermann on their re-election respectively as chairman of the Council of State, chairman of the Council of Ministers and president of the People's Chamber of the German Democratic Republic.

The message says:

"The Vietnamese people are highly elated at the splendid achievements of the people of the German Democratic Republic in strengthening their socialist homeland in all fields. We sincerely wish the fraternal G.D.R. people success in implementing the major tasks adopted at the 10th Congress of the Socialist Unity Party of Germany (SED) with the aim to successfully build a developed socialist society, create the basic prerequisite for their gradual advance to communism and contribute to the safeguarding of peace in Europe and the rest of the world.

"May the friendship relations, militant solidarity and all-sided cooperation between the Socialist Republic of Vietnam and the G.D.R., based on Marxism-Leninism and socialist internationalism, be constantly consolidated and developed.

"We wish you good health and success in your noble mission."

The Vietnamese foreign minister has also extended his congratulations to Oskar Fischer on his re-appointment as foreign minister of the G.D.R.

CSO: 4220/335

INTERNATIONAL RELATIONS, TRADE AND AID

BRIEFS

INDIAN ASSISTANCE--Hanoi, 20 Jun (VNA)--A contract to provide coal transport equipment to Vietnam was signed here between India and Vietnam on 18 June. The signatories were the Vietnam National Machinery Export-Import Corporation (Machinimport) and the Projects and Equipment Corporation of India Ltd (P.E.C.). [Text] [OW250221 Hanoi VNA in English 0704 GMT 20 Jun 81]

MACHINES FOR EXPORT--Hanoi, 23 Jun (VNA)--Some kinds of machines for export such as machine tools and electric engines and appliances have been designed and turned out in mechanical factories in Hanoi. T6M16 lathes and K525 drilling machines have been made by the Machine Tools Mechanical Factory No 1. The mechanical and electrical factory has produced five kinds of electric engines for export with capacities ranging from 0.125 kw-3,000 revolutions per minute to 4.5 kw-1,800 revolutions per minute and three kinds of 60 HZ electric engines with capacities of 0.75 kw-1,800 revolutions per minute, 1.1 kw-3,600 revolutions per minute and 3 kw-1,800 revolutions per minute. All of these engines are of high quality and meet the requirements of foreign customers. Their rotors are made by a low pressure casting machine made by the factory itself. The Appliances Factory No 1 and the Machine Tools Mechanical Factory No 1 have produced thousands of appliances for cutting and whittling for export such as drill-clips, special drills and M18 surface cutters with long modules. [Text] [OW250231 Hanoi VNA in English 0235 GMT 24 Jun 81]

FRUIT FOR EXPORT--Hanoi, 23 Jun (VNA)--More fruit tree state farms, mostly specializing in banana and pineapple growing, have been built in southern Vietnam to provide fruit for export. Two pineapple farms on Ho Chi Minh City's outskirts have planted 2,500 hectares of pineapple. In the recent harvests, these farms have supplied thousands of tons of fresh pineapple for export. Besides its present area of more than 4,200 hectares, the Mekong River Delta Province of Long An is building three more pineapple farms with an expected area of 8,000 hectares. Tien Giang Province, also in the Mekong River Delta, has marked off 3,000 to 6,000 hectares for banana growing. A 50-hectare banana nursery has been built in the province to supply saplings to the local peasants. The province with its orchards covering 29,000 hectares is one of the major fruit exporters in southern Vietnam. Fruit processing factories have been built in Ho Chi Minh City and in Tien Giang Province. They have produced banana, pineapple, papaya, tamarind, soursop, and ambarella juice for export. [Text] [OW250231 Hanoi VNA in English 0232 GMT 23 Jun 81]

EQUIPMENT FROM USSR--Hanoi, 29 Jun (VNA)--Some 70 industrial enterprises in Kharkov, the Soviet Union, are filling orders from Vietnam. In recent years, those enterprises have supplied Vietnam with technical equipment including tractors, cranes, excavators, bulldozers and electrical equipment. The electrical equipment factory in that city recently sent to Vietnam a number of electric engines for use in the chemical, shipbuilding and food industries and in agriculture. [Text] [OW300147 Hanoi VNA in English 1313 GMT 29 Jun 81]

SWEDISH COOPERATION IN AFFORESTATION--Hanoi, 29 Jun (VNA)--A conference was held recently in Vinh Phu Province north of Hanoi to review the first 5 years of Vietnamese-Swedish cooperation in tree planting to supply raw materials for the Swedish-funded Bai Bang Paper Mill. Representatives of the Central Agricultural Commission, the State Commission for Science and Technology, the Vinh Phu Paper Mill and Swedish experts attended the conference. The conference noted that the two sides had cooperated fruitfully in the determination of the best afforestation methods suitable to local conditions and in the choice of the optimum sowing and planting techniques. Some experimental afforestation centres have also been set up for the selection of the suitable tree species and areas. The conference also noted that the Swedish side had helped train a growing number of Vietnamese forestry experts. Speaking at the conference, Swedish experts Jonas Prnander and Barry Poole both took note of the first encouraging results of the cooperation and promised to make it still more fruitful in the year to come. [Text] [OW300147 Hanoi VNA in English 0734 GMT 29 Jun 81]

WRITERS DELEGATION VISITS PRK--Hanoi, 30 Jun (VNA)--A delegation of the Vietnam Writers' Union on 29 June concluded a visit to Kampuchea. The visit was made under an agreement on cultural exchanges for 1981. It included Te Hanh, poet and member of the Writers' Union, and Vu Tu Nam, writer and director of the "Tac Phan Moi" (New Works) Publishing House. The delegation discussed professional experiences with their Kampuchean colleagues, and toured cultural and artistic institutions and historical sites. Bouthong, Political Bureau member of the People's Revolutionary Party of Kampuchea and head of the Party Commission for Propaganda and Training, cordially received the delegation. [Text] [OW301531 Hanoi VNA in English 1501 GMT 30 Jun 81]

CPCC GREETSE SEYCHELLES CONGRESS--Hanoi, 2 Jul (VNA)--The Central Committee of the Communist Party of Vietnam today sent a message of greetings to the Third Congress of the Seychelles People's Progressive Front. The message says: "Over the past few years, under difficult conditions, the Seychelles People's Progressive Front, headed by President Albert Rene, has led the Seychelles people in carrying out social reforms, abolishing the vestiges of colonialism, building a new economy and culture, and smashing the schemes of subversion and sabotage of internal and external reactionary forces, thereby successfully defending the country's revolutionary gains and enhancing the international prestige of the Republic of Seychelles. The Communist Party and the people of Vietnam greatly rejoice at the substantial achievements of the Seychelles people, and wish the progressive front and people of Seychelles further success in their revolutionary endeavours. We take this opportunity to express our heartfelt gratitude for the vigorous support of the progressive front, government and people of Seychelles for the Vietnamese people's national defence and development. May the solidarity between the two parties and peoples of Vietnam and Seychelles constantly consolidate and develop. May the Third Congress of the Seychelles People's Progressive Front be successful." [Text] [OW020829 Hanoi VNA in English 0718 GMT 2 Jul 81]

MONGOLIAN LEADERS GREETED--Hanoi, 2 Jul (VNA)--Vietnamese state leaders today sent a joint message of greetings to Yumjaagiyn Tsedenbal, Jambyn Batmonh and Bat-Ochiryn Altangerel on their election respectively as president of the presidium of the Great People's Hural, chairman of the Council of Ministers and chairman of the Great People's Hural, of Mongolia. The message, addressed by Acting President Nguyen Huu Tho, National Assembly Chairman Truong Chinh and Premier Phan Van Dong, said: "The Vietnamese people greatly rejoice at the fraternal Mongolian people's splendid successes over the past 60 years under the correct leadership of the glorious Mongolian People's Revolutionary Party in building a socialist society in beautiful Mongolia. We sincerely wish the Mongolian people further success in implementing the resolutions of the 18th Congress of the M.P.R.P. and in achieving the objectives of the Seventh Five-Year Plan worked out by this congress. May the militant solidarity, friendship and fraternal cooperation between our two countries constantly consolidate and develop. We sincerely wish you the best of health and many outstanding achievements in your noble tasks in the interests of your country's prosperity, the Mongolian people's happiness and peace, national independence, democracy and socialism in the world." [Text] [OW021619 Hanoi VNA in English 1506 GMT 2 Jul 81]

DELEGATION ARRIVES FOR CEMA MEETING--Hanoi, 3 Jul (VNA)--The Vietnamese Government delegation led by Vice Premier Vo Nguyen Giap, Political Bureau member of the Communist Party of Vietnam Central Committee, has arrived in Sofia for the 35th session of the Council for Mutual Economic Assistance (CEMA). It was welcomed at the airport by Deputy Chairman of the Council of Ministers Andrey Lukanov, alternate member of the Political Bureau of the Bulgarian Communist Party Central Committee; and other high state and party officials. [Text] [OW031643 Hanoi VNA in English 1605 GMT 3 Jul 81]

CAPE VERDE'S NATIONAL DAY--Hanoi, 4 Jul (VNA)--Acting President Nguyen Huu Tho today sent greetings to President Aristides Pereira on the sixth independence day of the Republic of Cape Verde Islands. He says: "The Vietnamese people follow with deep sympathy the Cape Verde people's struggle to defend and consolidate national independence, and to build their country. We greatly rejoice at the Cape Verde people's successes." He wishes the Cape Verde people new success in their revolution to contribute actively to the African and other peoples' common struggle for peace, national independence, democracy and social progress. [Text] [OW041539 Hanoi VNA in English 1524 GMT 4 Jul 81]

MONGOLIA-VIETNAM FRIENDSHIP DELEGATION ARRIVES--Hanoi, 4 Jul (VNA)--A delegation of the Mongolia-Vietnam Friendship Association led by its chairman J. Zhamyan, member of the Central Committee of the People's Revolutionary Party of Mongolia arrived here today for the celebration of the 60th anniversary of the national day of Mongolia (11 July). It was welcomed at the airport by Nguyen Quang Xa, president of the Vietnam-Mongolia Friendship Association, and the representative of the Mongolian Embassy. [Text] [OW041822 Hanoi VNA in English 1546 GMT 4 Jul 81]

SAN MARINO CP GREETED--Hanoi, 6 Jul (VNA)--The Central Committee of the Communist Party of Vietnam today sent a congratulatory message to the Central Committee of the Communist Party of San Marino (C.P.S.M.) on the 40th anniversary of its founding. The message wishes the C.P.S.M. success in working for the interests of the labouring people of San Marino and for peace and socialism. "May the

fraternal solidarity between our two parties and peoples be further consolidated and developed," the message says. [Text] [OW060907 Hanoi VNA in English 0707 GMT 6 Jul 81]

LEADERS GREET ALGERIANS--Hanoi, 6 Jul (VNA)--Vietnamese state leaders have sent a joint message of greetings to their Algerian counterparts on the 19th independence day of the Algerian Democratic and People's Republic. The message signed by Chairman of the Council of State Truong Chinh and Chairman of the Council of Ministers Pham Van Dong was addressed to President Mohamed Chadli Bendjedid and Prime Minister Mohamed Ben Ahmed Abdelghani. The message reads: "Since recovering their independence, the Algerian people under the leadership of the Algerian National Liberation Front Party and the government have recorded great achievements in the struggle to defend and consolidate independence and build a prosperous country, thus making an active contribution to the common struggle for peace, national independence, democracy and social progress in Africa and elsewhere. The Vietnamese people greatly rejoice at these great achievements of the fraternal Algerian people and believe that upholding their firm revolutionary tradition, they will obtain greater successes in their glorious cause. May the friendship and cooperation between our two peoples constantly consolidate and develop." Foreign Minister Nguyen Co Thach has also sent his greetings to his Algerian counterpart, Mohamed Ben Yahia, on this occasion. [Text] [OW061603 Hanoi VNA in English 1532 GMT 6 Jul 81]

SOVIET COMMITTEE GREETES COUNTERPART--On the occasion of the fifth SRV anniversary, the Soviet Peace Committee sent the following greetings message to its Vietnamese counterpart: Dear comrades, the Soviet Peace Committee would like to convey its warm greetings to all the fraternal Vietnamese people on the occasion of the fifth national unification and SRV founding anniversary. The Soviet peace-loving people happily welcome their Vietnamese friends' achievements in building socialism under the VCP leadership and with the assistance of countries in the socialist community. We fully support the Vietnamese people's just struggle against the aggressive plots of imperialists and hegemonists, and also support the implementation of peace proposals by Vietnam, Laos and Kampuchea in order to establish peace and stability in Southeast Asia. [Text] [BK070633 Hanoi Domestic Service in Vietnamese 1100 GMT 5 Jul 81]

NORWEGIAN-AIDED FACTORY--A ceremony was held recently in Rach Gia City by the Kien Giang Provincial People's Committee to receive and inaugurate a fish meal and food factory built with nonrefundable Norwegian aid. With modern equipment and automated production chains, the factory is capable of producing 5 tons of fish meal and food daily. Attending the ceremony were representatives of the Ministry of Maritime Products, the Kien Giang Provincial People's Committee, and the Norwegian Organization for International Development. [BK300117 Hanoi Domestic Service in Vietnamese 2300 GMT 24 Jun 81]

CSO: 4209/377

PARTY ACTIVITIES AND GOVERNMENT

HANOI REVIEWS ACCOMPLISHMENTS SINCE SRV FOUNDED

BK021512 Hanoi International Service in English 1000 GMT 2 Jul 81

[Feature: "Vietnam in Construction"]

[Text] Over the past 5 years since the founding of the SRV on 2 July 1976, the Vietnamese people have recorded many achievements in national defense and national reconstruction. They have victoriously fought the two wars of aggression engineered and directly conducted by the Chinese expansionists.

Socialist construction throughout the whole country has been very successful. In the south, the comprador bourgeoisie has been eliminated and private trading and industrial enterprises have, in the main, been transformed, while agricultural collectivization has achieved initial success.

In the north, the new relations of production have been perfected, socialist labor forces have been initially reallocated on a nationwide scale and a number of new economic zones have taken shape. Millions of people of working age have been given jobs.

The material and technical bases of Vietnam's economy over the past 5 years have been strengthened considerably. The fixed assets for socialist economy in production branches have increased by 91 percent.

In agriculture, more than 1 million hectares of virgin land have been cleared and a total of 1.8 million hectares have been put under crops. More than 20,000 assorted tractors have been used in agriculture and production and 20 percent of the land is now tilled mechanically.

In industry, productive capacity has been bolstered with an additional 200,000 kw of electricity, 2 million tons of coal and 300,000 tons of cement.

With regard to communications, almost 1,500 km of new railways, 3,800 km of motor roads and 4,000 meters of wharves have been built. Many industrial projects have been under construction, such as power stations, engineering plants, shipyards, harbors, textile factories, sugar and paper mills.

Together with economic development, culture, education and public health over the past 5 years have also made much progress. Illiteracy has been basically eliminated in the south. The number of students in general education schools, colleges,

universities, complementary courses and vocational schools have reached 16 million. On an average, one out of every three Vietnamese is going to school. The scientific and technical branch has solved a number of important problems of the national economy and defense. Good results have been achieved in the eradication of neocolonialist culture. The elimination of social diseases and vices, products of the U.S.-puppet regime, has brought a new life to hundreds of thousands of people.

CSO: 4220/335

PARTY ACTIVITIES AND GOVERNMENT

'NHAN DAN' EDITORIAL ON SRV ANNIVERSARY

OWO20817 Hanoi VNA in English 0713 GMT 2 Jul 81

[Text] Hanoi, 2 Jul (VNA)--Under the title "Glorious Successes in Five Years of Socialist Revolution," NHAN DAN's editorial today reviews the achievements recorded since this country was reunified and renamed the Socialist Republic of Vietnam.

The paper notes that "the biggest success of the Vietnamese people and their army over the past 5 years is their victory over the two wars of aggression master-minded and directly concluded by the Beijing expansionists. The people of all strata throughout the country and of all nationalities in the great family of Vietnam have united, millions as one, in an heroic fight to defend their homeland. The unity of the three Indochinese countries is a factor in the success of their common fight against the Chinese expansionists. Vietnamese-Soviet solidarity is a guarantee for every success in the national development and defence of the Vietnamese people."

On national construction, NHAN DAN says:

"The socialist revolution has been conducted in Vietnam, a backward and war-ravaged agricultural country. After the reunification of their country, the Vietnamese people had to cope with two new wars of aggression, and even now they are facing the threat of another war. Though having to simultaneously carry out two strategic tasks--building and defending the country--the Vietnamese people have obtained substantial achievements: the revolutionary administration has been consolidated, the disruptive and subversive schemes of the imperialists and other international reactionaries have been smashed; socialist relations production have been established and strengthened; the infrastructure of socialism has been broadened; socialist culture and education have been developed, and the national defence potential has rapidly strengthened.

"These successes have highlighted the correctness of the revolutionary line chartered by the Fourth Congress of the Communist Party of Vietnam. The socialist revolution in this country is facing numerous difficulties, but experience shows that they will be overcome.

"In their daily work, the Vietnamese people are trying to live up to the motto 'All for the socialist homeland and the people's happiness,' NHAN DAN concludes.

CSO: 4220/335

PARTY ACTIVITIES AND GOVERNMENT

VCP SECRETARIAT ISSUES DIRECTIVE ON BRIBERY

BKD30545 Hanoi Domestic Service in Vietnamese 0400 GMT 2 Jul 81

[Text] On 29 June 1981, the VCP Secretariat issued a directive to provide guidance for ensuring scrupulous implementation of the regulation on punishment of bribery. The directive sets forth a number of specific tasks to be carried out as follows:

Implementing the resolution of the Sixth VCP Central Committee Plenum on opposing negativism in economic and social activities, the state has promulgated a regulation on punishment of bribery. All echelons and sectors, especially party committee echelons, unit commanders and law enforcement agencies, must promote thorough understanding of the basic spirit and contents of this regulation among party organizations, state organs, mass organizations, troops of all ranks and grassroots-level units.

A publication is immediately required to explain the contents of this regulation. It must be broadly disseminated by the mass media to make all people understand the regulation uniformly and ensure its scrupulous and uniform implementation. At the same time, a mass movement must be launched to actively detect and oppose bribery cases.

Cadres and personnel of all organizations must be screened, including those organizations in regular contact with the people. Attention should be paid to all organizations in charge of the management and distribution of materials, goods and money, and those organizations dealing with problems related to real estates, work and school arrangement, inspection and control, business and household registration, taxation, customs and court proceedings.

Action must be taken immediately to deal with offenders awaiting trial and to replace them by honest and trustworthy persons.

The struggle against negativism must be regularly reviewed at scheduled meetings of party organizations, state agencies, mass organizations and army units of all sizes in order to criticize shortcomings and deficiencies, to promptly detect and actively prevent offenses, to strengthen management and to educate cadres, party members, workers, civil servants and troops.

Party committees and leaders of various sectors and echelons are responsible for guiding the implementation of this regulation by coordinating with Committee 79 (Ban 79) of the same level in organizing and carrying out the task. The Committee 79 and sectors involved must coordinate with each other to promptly act upon letters denouncing bribery offenses and offenders. They must quickly investigate, conclude and deal with all cases of bribery offenses. All offenders, regardless of their ranks and positions, must be severely and justly dealt with in accordance with this regulation and VCP Directive No 86 dated 6 February 1980. Cases of convictions for serious bribery offenses may be published in newspapers.

CSO: 4209/377

PARTY ACTIVITIES AND GOVERNMENT

BRIEFS

YOUTH UNION--The secretariat of the Ho Chi Minh Communist Youth Union Central Committee held a national conference of Youth Union cadres in Ha Son Binh Province from 23 through 26 June to discuss the task of building the armed forces and the youth's national defense task. Also present at the conference were representatives of the National Defense Ministry, the Ministry of Interior, the Ministry of War Invalids and Social Welfare and the Civilian Proselytizing Department of the Party Central Committee. The Youth Union's future tasks include further development of its role in drafting youths, coordinating with various sectors--primarily the military sector--in satisfactorily educating youths in national defense, making preparations for the departure of drafted youths, satisfactorily organizing registration of draft-age youths, sending off departing youths, and organizing enlistment festive days. [NW300147 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Jun 81]

CSO: 4220/335

ECONOMIC PLANNING, TRADE AND FINANCE

DECREE ISSUED TO ENCOURAGE PRODUCTION OF EXPORT GOODS

Hanoi NGOAI THUONG [Foreign Trade] in Vietnamese No 3, Mar 80 pp 7-13

[Text of decree: "Policy and Measures for the Development of Production of Export Goods"]

[Text] Editor's note: On 7 February 1980, the Council of Ministers issued Decree No 40/CP to promulgate the policy and measures aimed at developing the production of goods for export.

We now introduce to you the text of this decree.

In compliance with the resolution of the Fourth Party Congress and the resolutions of the VCP Central Committee;

To materialize the resolutions of the Council of Ministers and the decisions and directives so far issued and aimed at quickly increasing the sources of export goods to serve the socialist industrialization;

The Council of Ministers hereunder sets the specific policy and measures aimed at encouraging the development of production of goods for export.

I - Investment for Development of Export Goods Production

Article 1 - For the purpose of vigorously developing the economic potential and quickly creating many main-force sources of export goods, the state strengthens its investment in productive sectors, first of all in agriculture, forestry, fishery, the industry that exploits large deposits of minerals, light industry, artisan industry, handicrafts and the ordering of goods for export, on the basis of this principle: effectiveness of investment is relatively high and the time for construction and expansion of production facilities is relatively short.

Article 2 - The state pays attention to investing intensively by providing new equipment, perfecting the production line and expanding or improving the existing enterprises, and at the same time to investing extensively by building facilities

specialized in producing goods for export in large quantities and of high quality and paying attention to creating main-force export goods that command stable and lasting markets. To attach importance first to developing tropical agriculture and forestry, exploitation of the sea and sources of minerals in relatively large deposits and the industries and handicrafts that possess traditional techniques or are in a favorable position to quickly train workers in occupational skills.

Article 3 - Investing in the sectors producing goods for export must be synchronized: in agriculture, forestry and fishery, attention is paid to all jobs from production to transportation and processing; in industry, attention is paid to both the main production and the secondary jobs; along with developing production of goods, investment must also be made in the means of wrapping, packing and storing of goods, particularly in specialized warehouses; attention is to be paid to developing transportation to serve export.

Article 4 - Capital for investment can be domestic capital or capital in foreign currency consisting of borrowed capital and foreign capital investment in the form of economic cooperation. If investment is by borrowed capital, the production and business units must ensure payment of the entire amount of foreign currency borrowed (including interest) with their goods for export, within the specified time. (In the case some of the goods intended for export are used to satisfy domestic needs, special consideration will be made.) The foreign trade bank is responsible for negotiating and signing contracts with foreign countries about short- and medium-term loans to be used for investment in export. Production installations and foreign trade organizations must study the extending of the form of on-contract cooperation for the import of equipment, raw materials and materials and payment by means of export products.

As to the facilities to be constructed for which the time to pay for the loans can be longer, the form of economic cooperation with a foreign country is to be used, in accordance with chapter II of the Regulations for Foreign Investment in Vietnam.

Article 5 - The State Planning Commission, Ministry of Foreign Trade, Ministry of Finance, State Bank and leading ministries and people's committees of all levels are responsible for determining the investment policy on the basis of the direction of development of the national economy and the direction of export, for the purpose of stepping up export in the annual plan and the 5-year plan.

Article 6 - The Export Committee of the Council of Ministers (set up by virtue of Decision No 178-TTg of 15 April 1977, and headed by the Minister of Foreign Trade) has the duty to study and recommend to the government concrete investment bills, policies and measures to step up the production of goods for export.

II - Supply of Raw Materials and Materials to Units Producing Export Goods

Article 7 - The following production units are to receive from the state the

necessary raw materials and materials. (If the domestic raw materials and materials are not supplied in an assured manner, the state will solve the problem by using sources of imported goods.)

- The state enterprises and state farms being assigned export goals.
- The trees-planting cooperatives exporting goods in accordance with state projects and plans and selling products to the state, on the basis of two-way contracts.
- The artisan industrial and handicraft cooperatives producing export goods on the basis of two-way economic contracts; if they are supplied with raw materials, they must sell all of their products to the foreign trade organization.
- Other cooperatives specialized in producing or using goods for export.

Article 8 - The State Planning Commission, Ministry of Foreign Trade, State Bank, Ministry of Finance and other ministries in charge of managing economic and technical sectors are responsible for maintaining a balance in the supply of raw materials and materials for the export goods production plan (including the imported raw materials and materials) and getting the foreign exchange necessary for importing such raw materials and materials.

In the case the supply of imported raw materials and materials is not enough to satisfy the common needs of production, top priority must be granted to finding appropriate solutions for the units that produce goods for export (as mentioned in article 7).

III - Grain Policy for Cooperatives Producing and Exploiting Goods for Export

Article 9 - The cooperatives that plant trees for export in the zones specialized in planting such trees, if there is a shortage of grain, will benefit from the system of grain supply as determined by the regulations contained in Directive No 125-TTg, dated 27 March 1971, of the Premier (level of grain supply depending on the quantities of agricultural products in tons sold to the state). Other cooperatives specialized in producing and exploiting goods for export are to be supplied with grain in accordance with specific regulations.

- In the case their localities have some difficulties about grain supply and the district or provincial people's committees cannot guarantee, or guarantee only a part of, the grain supply for the cooperatives that are specialized in planting trees for export in accordance with state projects and plans, the state will make up for the grain that is lacking, provided these localities use the supplemental grain for the cooperatives in the specialized trees-planting zones, rather than for any other purposes.

Article 10 - The Ministries of Food and Foreign Trade have the responsibility to discuss with other ministries and the provincial people's committees concerned to determine the yearly amounts of grain to be supplied to cooperatives in the zones specialized in planting trees for export and exploiting forest products solely for export, as well as other cooperatives specialized in producing and exploiting goods for export; when they determine these quantities of grain, they must consider the state of grain supply balance of both the state and localities and the rational need of each zone. Provincial people's committees must take appropriate measures to ensure that the quantities that have been determined are correctly observed.

IV - Lending Foreign Currency To Develop Production of Export Goods

Article 11 - To create favorable conditions for production and foreign trade business to quickly increase the volume of export goods and the amount of foreign currency collected for the state, all economic sectors, production units and foreign-trade organizations can borrow foreign currency to step up the production and ordering of goods for export.

To make profit in doing business in foreign currency, some business organizations are allowed to borrow foreign currency capital to do reproduction and import-export business.

Article 12 - The foreign trade bank is allowed to establish a special foreign currency fund to be called for short "export foreign currency fund" and used to provide loans for development of production of goods for export. The sources of capital for this fund are:

- The existing capital of the bank;**
- Capital borrowed from foreign countries by the bank;**
- Foreign currency provided by the state as additional contribution to the fund (equal to 5 percent of the value of export to the capitalist market);**
- Interest collected by the bank from the loans used to serve export.**

Article 13 - Production and business units and foreign trade organizations can borrow only from the fund money to be used for the purposes mentioned in article 11, under the conditions that they pay both principal and interest to the bank within the specified time and boost the collection of foreign currency for the state.

Article 14 - The procedures for borrowing from and paying to the export foreign currency fund, for the purpose of developing the production of export goods, are set as follows:

1. For the goods exported to the socialist market being not yet included in the export plan or produced beyond the plan norms (to be referred to for short as export goods outside of the plan), production units or foreign trade organizations doing business in production can borrow money from the export foreign currency fund to import the raw materials and materials necessary for their production, under the conditions that the Ministry of Foreign Trade confirms that such goods can be exchanged for raw materials and materials having value in the strong foreign currency of the socialist countries and higher value as compared with the capitalist foreign currency they have borrowed from the export foreign currency fund.

2. For the goods that are included in the plan for export to the capitalist market, the state guarantees to supply raw materials and materials (in accordance with what is said in chapter II); in the case the state lacks foreign currency for import, production units or foreign trade organizations doing business in production can borrow from the export foreign currency fund to import the necessary raw materials and materials for production.

In both of the above-mentioned cases, the bank applies an appropriate interest rate.

3. For the goods outside of the plan to be exported to the capitalist market, production units or foreign-trade business organizations can borrow from the export foreign currency fund at market interest rate to import the necessary raw materials and materials for production, under the conditions that the Ministry of Foreign Trade confirms their economic effectiveness.

4. The foreign currency collected from the outside-of-the-plan export, after payment of principal and interest to the bank, is distributed and used as follows:

- Thirty percent to be put into the export foreign currency fund as additional contribution;

- Seventy percent to be used by the production and business units in the form of bonus awarded to the "right to use foreign currency."

Article 15 - The procedures for borrowing from and paying the export foreign currency fund in connection with doing import-export business or importing high-level goods to be sold in foreign currency-collecting stores are set as follows:

1. Foreign trade corporations can borrow foreign currency to do import-export business or to take advantage of market prices to buy and sell, but the Foreign Trade Ministry must confirm that their business is economically effective.

2. Foreign trade, travel and ships-providing corporations and the Civil Aviation General Department can also borrow foreign currency to import high-level

consumer goods (under Ministry of Foreign Trade guidelines) to be sold in capitalist foreign currency-collecting retail stores. After the above-mentioned corporations pay principal and interest to the bank, they are entitled to 15-30 percent (of the remaining profit in foreign currency) that they use to expand their business and give the rest to the state.

Article 16 - In the cases of applying article 15, if a foreign trade organization can buy goods on credit from foreign business, the foreign trade bank is responsible for guaranteeing the purchase, if it finds it satisfactory and necessary.

V - Encouraging Sales of Export Products to the State

Article 17 - Cooperatives, production collectives and individual farmers' households in the nonspecialized agricultural zones and the scattered forest-exploiting zones excluded from the ones that benefit from the grain- and materials-supplying system as mentioned in chapters II and III will get material encouragement from the state if they have exportable agricultural and forest products and sell them to the state; they will be sold quantities of grain and capital goods equal to 5-20 percent of the value in foreign currency of the export products sold to the state, depending on different kinds of products.

As to the materials and goods to be sold as encouragement for different kinds of export products, the Ministry of Foreign Trade, along with other ministries and the provincial people's committees having products to export, will study and recommend to the Council of Ministers the right ones for each period, on the basis of the supplying capacity of the state.

Article 18 - The kinds of agricultural and forest products for export to be encouraged by the state (article 17), as they now exist, are the following:

1. Short-term agricultural products: rice, corn, peanut, beans of various kinds, sesame, pineapple, banana, tobacco, jute, essential oils of various kinds, etc.
2. Long-term plants: coffee, tea, pepper, orange, grapefruit, etc.
3. Forest products: canh kien do, canh kien trang (*Mallotus philippinensis*), hoa hot, cinnamon, etc.
4. Medicinal plants (specific rules apply).

As to other goods called local export goods, the degree of encouragement as determined by the state will serve as a basis for rational decision.

Article 19 - The method of selling materials as encouragement in regard to the kinds of goods listed in article 18 is by two-way economic contracts signed with the production units, in accordance with the common state procedures.

Prices of agricultural products for export purchased from and of materials sold to the cooperatives and households producing export goods are set by the state.

Article 20 - The state distributes to the Ministry of Foreign Trade a quantity of the necessary materials to set up a special goods fund to be sold as an encouragement to the cooperatives and households producing export goods. In addition to domestic materials, the ministry receives foreign currency from the state to import materials necessary to supplement this special goods fund.

The Ministry of Foreign Trade has the responsibility to manage and use this goods fund in accordance with the state procedures. The foreign trade general corporations, on the basis of the two-way economic contracts already signed with the production installations, use this fund to carry out their obligation. Provincial and district people's committees assume leadership and control over the production installations and purchase goods in compliance with the already-signed economic contracts.

VI - Policy and Prices of Export Products To Be Purchased

Article 21 - The state has a policy to purchase for appropriate encouragement products for export, aimed at urging production units to actively create more sources of export goods (particularly the main-force ones) of large quantities and high values, thus making Vietnam's exported goods more attractive in the world market.

Although purchase prices of export goods are within the common price system in the country, an appropriate margin of difference must be maintained when prices are set for the goods to be exported so as to encourage their production since these goods require higher standards and qualities, more attractive shapes, more careful wrapping and packing.

Article 22 - As to the industrial products to be exported, when their costs of production are determined, consideration must be given to all production factors providing them with international standards: quality of the raw materials and materials used, technical level of the goods produced, skills of workers, expenses for research in the making of the goods (or expenses for patent right or purchase of technical secret from foreign countries) and responsibilities of managers.

Article 23 - As to the agricultural products to be exported, when their purchase prices are determined on the basis of applying the state policy on prices of agricultural products, an appropriate margin of difference must be determined for the products that must be classified and processed to attain export standards.

For the specialized export crops-growing zones working for state projects and plans, when the purchase prices of export products are determined, calculations

must include all items the state has invested in and the means of production, grain and consumer goods supplied by it (in compliance with two-way economic contracts and cash bonuses awarded by virtue of chapters I, II, III, V and VIII of this decree) and at the same time ensure that those who are specialized in planting crops for export have higher income, reasonably higher, than those who grow other crops in the localities.

Article 24 - As to other export products (forest and sea products, artisan industrial and handicraft goods), purchase prices must be determined on the basis of the nature and characteristics of different occupations and by following this principle -- to fully compensate for costs of production in a rational manner, to give export goods a higher margin of profit than the domestically consumed goods and to encourage achieving high export standards for these products.

Article 25 - The Ministry of Foreign Trade, State Price Commission and organs responsible for price management and decisions must apply articles 21, 22, 23 and 24 as they fix prices for various export goods and check and consider the prices that need adjustment so as to encourage in time production for export.

VII - Taxes and Allowances for Export Products

Article 26 - To step up production of export goods and to create favorable conditions for Vietnamese goods to be attractive in the world market, as cost accounting is done for the goods to be exported, the state enterprise collection or commodity tax must be excluded.

As production enterprises deliver goods to the foreign trade sector, the same industrial wholesale prices are charged as if they deliver them to the installations in charge of domestic consumption; the foreign trade organizations temporarily pay at these prices, but after documents proving the goods have been exported are available, the financial organ will reimburse the state enterprise collections or commodity taxes that the foreign trade organizations have collected and paid to it.

The Ministry of Finance is responsible for providing guidance for the implementation of this article.

Article 27 - As to the export goods that involve losses and require export allowances, the Council of Ministers authorizes the Ministry of Foreign Trade to discuss with the Ministry of Finance about deciding to grant allowances to different goods and localities. These allowances cannot exceed 50 percent of the export production costs if the goods are sold for convertible foreign currency; 30 percent if they are exported to socialist countries by the method of payment on the books. If the allowances exceed those limits, they must be reported to the Premier for his consideration and decision.

The Ministry of Finance, State Bank, Ministry of Foreign Trade and State Price Commission have the responsibility to determine a rational ratio between foreign currencies and the Bank of Vietnam dong and to recommend it early to the Council of Ministers for its decision so as to have a basis for calculations of profit, the amounts of allowances granted to export goods, the costs of imported goods and their wholesale prices.

VIII - Bonuses for Production and Delivery of Export Goods

Article 28 - Bonuses to encourage the production and delivery of export goods are of two kinds:

- Bonuses in Vietnamese currency are aimed at adding to the three funds that enterprises are allowed to set up in accordance with Circular No 165-TTg dated 21 March 1978 of the Premier.

- Bonuses in the form of "Right to use foreign currency," in accordance with Decision No 151-CP of 1 July 1974, are for importing the necessary means of production or consumer goods.

Article 29 - The conditions for granting bonuses to production units are their total fulfillment of the goals set in the state plan. The units that can get bonuses as encouragement are enterprise federations, specialized corporations, state enterprises, joint state-private enterprises and production cooperatives having fully complied with export goods delivery contracts signed with foreign trade organizations. On the basis of the state export plan norms the Ministry of Foreign Trade is to keep track of performances, to calculate the amounts of bonuses and to directly award them to enterprise federations, specialized corporations, state enterprises, joint state-private enterprises and production cooperatives.

Article 30 - Every year, on the basis of world market needs and the conditions of production of export goods, the Ministry of Foreign Trade determines the actual percentages for bonuses to be awarded to different kinds of export goods that have attained or exceeded the plan norms.

The amounts of bonuses in Vietnamese currency are set as follows:

a. For unprocessed products or products made of domestic raw materials:

- In the case production units fully carrying out the goods delivery contracts in accordance with state plan norms: bonuses are equal to 2-3 percent of the values of contracts.

- In the case production units overfulfilling their contracts and exceeding the state plan norms: bonuses are equal to 3-5 percent of the values of goods delivered in excess of requirements.

b. For products made of imported raw materials (including goods produced under contract):

In both cases of fulfillment and overfulfillment of plan norms, bonuses are awarded in the same manner as mentioned in section a of article 30, but after the values of the imported materials have been subtracted.

c. When the amounts of bonuses are decided for each kind of goods, consideration must be also given to the quantity and quality of the delivered goods, as well as the allowance the state has given to this line of goods.

Article 31 - The amounts of bonuses in the form of "Right to use foreign currency" are set as follows:

a. In the case production units fully carrying out the goods delivery contracts in accordance with state plan norms: they can use 10 percent of the actually collected foreign currency.

b. In the case production units overfulfilling their contracts and exceeding the state plan norms: in addition to the 10 percent awarded as mentioned in section a, they can also use 50 percent of the foreign currency actually collected due to the excess in fulfilling the plan norms. (For the production units of different localities, article 45 below will apply.)

Article 32 - Sources of bonuses:

a. The sources of bonuses in Vietnamese currency are determined to equal to 2 percent of the purchase prices of export goods. When the Ministry of Foreign Trade drafts the yearly export plan, it has the duty to estimate this kind of bonuses and work with the Ministry of Finance to incorporate it into the state budget. Each year it must settle with the Ministry of Finance this bonus item.

b. The sources of bonuses in the form of "Right to use foreign currency" are: every year, when it balances the import and export plans, the State Planning Commission puts aside 10 percent of the amount of foreign currency actually collected from export to award as bonuses to production units. If the foreign currency put aside is not used up in a certain year, it can be carried over to the following year.

The term, actually collected foreign currency, as used in this decree means the amount of foreign currency left after subtracting the one that has been spent for importing the materials directly used by a unit to make the exported goods.

Article 33 - The principle for using bonuses in Vietnamese currency is determined as follows:

a. For state-operated and joint state-private production units: to use in accordance with the three-fund system (as determined in the Premier's Circular 165-TTg of 21 March 1978).

b. For cooperatives: to use in accordance with their production needs.

Article 34 - The production units that are awarded the "Right to use foreign currency" can use the bonus foreign currency only to import the means of production necessary to develop and expand their production; in special cases, they can import a number of vital consumer goods that they lack. Importing the above-mentioned goods must closely observe the import principle and procedures currently in effect.

Article 35 - On the basis of articles 29 and 30, the Ministries of Foreign Trade and Finance jointly consider and determine the amounts of bonuses to be awarded to production units and the percentages of bonuses to be awarded to the units that supply raw materials and packing materials.

The method of awarding bonuses is determined as follows:

a. Bonuses in Vietnamese currency: Foreign trade organisations give the bonus money to production units, after the goods delivery contracts have been fully carried out.

b. Bonuses in the form of "Right to use foreign currency": After their contracts have been carried out, on the basis of how the export goods delivery contracts have been carried out by production units, the Ministry of Foreign Trade determines the amount of foreign currency they can use and award it to them.

Article 36 - To create favorable conditions for exploiting local potential capabilities, the provincial and municipal people's committees directly subordinate to the central government have the right to retain part of the foreign currency awarded to production installations to use for the purpose of developing the local economy, but it cannot exceed 10 percent of the amount of foreign currency awarded to them for having overfulfilled their plan, and some quantity of necessary goods and materials is to be supplied to these installations as compensation.

Article 37 - Any enterprise federations, specialized corporations, state enterprises, joint state-private enterprises and cooperatives which fail to carry out their goods delivery contracts without any legitimate reasons will be fined in accordance with the economic contracts and also held responsible for delivering the products they fail to deliver this year in the following year. As to the state enterprises and joint state-private enterprises particularly, the Ministry of Finance, along with the ministries directly in charge of them, must take this factor into consideration while considering any bonuses to be awarded to them for having fulfilled the plan.

IX - Management of Export Goods

Article 38 - To encourage sectors and localities to actively exploit their economic potential, to create more sources of export goods and to satisfy by themselves and to the highest degree their import needs, export goods are divided into these three categories:

- a. Special export goods.**
- b. Export goods made within the norms set by the state.**
- c. Export goods of different localities.**

Article 39 - Special export goods consist of different kinds of precious and rare goods and goods that have not or not yet been commercialized and are exported only by permission of the government. When it is necessary to export goods of this category, the government will assign a sector to be solely in charge of doing the job.

Article 40 - Export goods made within the norms set by the state consist of goods that are produced and supplied for export by central state enterprises, goods for which the state assigns purchasing and exporting norms, goods made through concentrated production and goods which our state has pledged with other countries to provide in accordance with agreements about production or economic cooperation.

Article 41 - Export goods of localities consist of goods made without any norms assigned by the state but produced by localities as they fully use their economic potential to develop production in order to increase the sources of export goods, and goods that exceed the norms for delivery of products to the state.

Article 42 - As to the goods made within the norms set by the state, the specialized import-export corporations and import-export federations subordinate to the Ministry of Foreign Trade are to be responsible for them, with participation by the sectors concerned for dealing and signing with other countries. As to the goods produced only for export and managed by other sectors, the Ministry of Foreign Trade provides guidance and helps the enterprises to deal directly and sign export contracts with other countries, on the condition that they have cadres who know the export business and submit themselves to the Ministry of Foreign Trade's management and leadership in regard to policy and professional matters.

Article 43 - For the localities that are in a convenient geographic position to do export business (international cities and ports) and have cadres who know the export business, the Ministry of Foreign Trade recognizes that they can directly deal and sign contracts with foreign corporations in the markets approved by it

and must submit themselves to the Ministry of Foreign Trade's management and leadership in regard to policy and professional matters.

Article 44 - For the localities that are not in a position to directly deal and sign contracts with other countries, the formula of letting the specialized corporations subordinate to the Ministry of Foreign Trade export goods for them (export by request) or selling goods to these corporations for export can be applied.

Article 45 - In the case of directly dealing and signing export contracts with other countries, or letting the specialized export corporations sell their goods for them (export by request) and in the case of delivering the lines of goods under unified state management and concentrated export in excess of the plan goals, the localities can use 70 percent of the actually collected foreign currency to import materials that help to promote local economic development, and at the same time have the responsibility to provide themselves with the raw materials and materials necessary for the production of export goods and to support their own export goods with the foreign currency collected and local financial sources. In the case of selling goods to the specialized corporations of the central government for export, these corporations are responsible for providing the necessary imported materials for production and the localities have the right to use 10 percent of the actually collected foreign currency and do not have to provide export support.

X - Implementation

Article 46 - This decree replaces the regulations that have been issued in Decree No 227-CP dated 21 June 1979 of the Council of Ministers. On the basis of this decree, the State Planning Commission, Ministry of Foreign Trade, Ministry of Finance, State Bank and central sectors, within the limits of their function, have the responsibility to issue appropriate documents to provide guidance as to its implementation. The heads of the ministries, organs of ministerial level, organs subordinate to the Council of Ministers and provincial and municipal people's committees subordinate to the central government have the responsibility to carry out this decree.

5598

CSO: 4209/318

ECONOMIC PLANNING, TRADE AND FINANCE

FINANCIAL, CREDIT PROCEDURES ABOUT CURRENCIES DISCUSSED

Hanoi NGOAI THUONG [Foreign Trade] in Vietnamese No 4, Apr 80 pp 16-18, 21

[Article by Nguyen Anh Thu: "Some Ideas About the Financial and Credit Procedures in Regard to the Right To Use Foreign Currency and Vietnamese Currency Coming From Foreign Currency"]

[Text] Along with the system of state monopoly over foreign trade, the bank is the organ that is assigned by the state the task of holding "monopoly over doing business in foreign exchange."

According to this system, the entire amounts of foreign exchange collected by economic organizations or individuals from whatever sources must be converted into Vietnamese currency at the State Bank. If the state grants permission for import, the State Bank will resell a necessary amount of foreign exchange.

The State Bank publishes the rates of conversion for a number of nontrade foreign exchange as follows:

Type of currency	The bank	
	Buys	Sells
- U.S. dollar	2.17	2.19
- British pound	4.13	4.17
- Hong Kong dollar	0.469	0.474

For foreign tourists, if they exchange hard currency, they will get a 50 percent allowance added to the official rate of exchange.

In doing import and export business, after delivery of goods and settlement with other countries have been done, general corporations and import-export corporations must work with the bank to convert all of the foreign exchange they have collected. The amounts of Vietnamese currency resulting from this conversion have no value for use in paying other countries for goods imported from them, but are of value only as Vietnamese currency to be used within the country

to pay for any loans that have been obtained from the bank earlier or for other expenses in business and production.

The right to use foreign currency is completely different from the use of Vietnamese currency as mentioned above.

Article 32 of Decree 40/CP clearly determines the sources of bonuses in the form of "right to use foreign currency" as follows:

"Every year, when it balances the import and export plans, the State Planning Commission puts aside 10 percent of the amount of foreign currency actually collected from export to award the 'right to use foreign currency' to production units."

Thus the right to use foreign currency, unlike the Vietnamese currency to be used within the country, has the value of foreign currency and comes from the following sources (article 32, article 45):

- 10 percent of the actually collected foreign currency in the case the economic organizations completely fulfill the goods delivery contracts in accordance with the state plan norms.
- 50 percent of the actually collected foreign currency in the case the economic organizations deliver goods in excess of the state plan.
- 10 percent of the actually collected foreign currency being awarded to production installations as bonuses for having overfulfilled the plan and later given to provincial and municipal people's committees subordinate to the central government.

The above-mentioned sources of capital are by themselves conditions, with the following being the most notable ones:

- . To fulfill and overfulfill export goods delivery contracts in accordance with state plan norms.
- . To actually collect foreign currency from export.

These two conditions are closely related. Here are some examples:

a. 1,000 tons of coffee delivered and received in a locality on 31 December are not the basis for calculation of the "right to use foreign currency" bonus, but rather 1,000 tons of coffee that have actually been exported and actually brought in money paid by other countries to the Bank of Foreign Trade, for without this foreign currency there is none to be used to award as a bonus.

b. Just like if a bonus is to be awarded for 1,000 tons of exported bananas for which foreign currency has actually been collected from other countries, the actual quantities of bananas delivered normally must be more than 1,000 tons.

c. When calculations are made to figure out the "right to use foreign currency" bonuses in regard to the goods made of imported raw materials (including goods ordered on contract), such as clothing goods, woolen rugs, embroideries, etc., the values of imported materials must be subtracted from the amounts actually collected used for such calculations.

Thus the basis for calculations of "right to use foreign currency" bonuses includes a gap between the quantities actually collected and actually delivered, which results from:

- Time of delivery of goods between the economic organizations within our country and between our country and a foreign country.
- Losses incurred during transportation of goods from the places of purchase and production to the places of departure of export goods for abroad.
- Subtraction of the values of imported raw materials from the values of export goods.

In the special case of the provincial and municipal people's committees subordinate to the central government, although they are only organs that have the task of administrative and economic management to fulfill and are not production units or do business in production, in order to encourage them and to create favorable conditions for them to exploit the local potentials, the state makes an exception by allowing them to retain part of the right to use foreign currency of the production installations and production enterprises being awarded such a bonus in order to use it for the purpose of developing the local economy in accordance with the following conditions (article 36):

- The most is no more than 10 percent of the foreign currency awarded as bonus.
- The regulated amount of foreign currency mentioned above can be taken only from the amount of foreign currency awarded for overfulfillment of plan.
- A quantity of necessary goods and materials is supplied to the production installations having regulated the bonuses as a compensation.

The three above conditions lead to the following consequences:

- The right to use foreign currency is granted as bonus in the year of the plan but cannot be actually used until the following year.

- If it is not used up in the year it is awarded, it will be carried over to the following years.

- In conjunction with the export market zones, the right to use foreign currency is also divided into two categories having different effects:

- In the case goods are exported to the socialist countries, the bonuses are in rubles.

- In the case goods are exported to the capitalist countries, the bonuses are in the free foreign currencies.

Since the foreign currencies awarded have different effects, the right and ways to use them are also different.

In the case of the socialist countries, importing is planned and carried out at least a year ahead of the year of the plan, but the consideration and use of the right to use foreign currency are carried out after the year of the plan.

To settle this discrepancy, according to the suggestion of the State Planning Commission, to make the awarding of the "right to use foreign currency" of socialist countries effective, the state will plan in advance the right to use foreign currency as it balances the import and export plans, mostly while it drafts the plan for distribution of imported goods. It will keep aside a quantity of imported materials and goods proportionate to the value of the projected "right to use foreign currency" bonuses. These materials can be placed under the management of a supplying organ within the state materials-supplying system or of the Ministry of Foreign Trade. An economic organization being selected by the foreign trade sector to be awarded the right to use the socialist foreign currency will receive from the bank a certificate asserting this right and bring it to the materials-supplying organ to buy at import costs a quantity of the necessary materials and goods.

In the case the economic organization is awarded the right to use the free foreign currency, the importing is not bound by the above-mentioned conditions. After it is awarded a bonus, it can use its own capital or the borrowed capital in Vietnamese currency to buy from the bank through conversion an equivalent amount of free foreign currency, which it deposits into its account of Vietnamese currency coming from foreign currency and, when necessary, will request the general corporations and corporations specialized in importing to buy for it the necessary means of production and consumer goods in accordance with import procedures.

In short, in order to fully use the right to use foreign currency it must comply with the following minimum conditions:

- To fulfill and overfulfill the contracts about delivering goods for export in accordance with the state export norms (actually collected currency).
- To have approval from the superior managerial organ, with the close cooperation of the bank.
- To have capital in equivalent Vietnamese currency in order to convert the right to use foreign currency into Vietnamese currency coming from foreign currency, or the right to buy goods and materials at import costs.

Unlike the right to use foreign currency, the Vietnamese currency coming from foreign currency has these characteristics:

- As the Vietnamese currency coming from foreign currency is created by the economic organizations that obtain foreign currency by their own efforts, they have full right to use it in accordance with the import procedures and system and at any time they choose.
- It is not used only to pay back loans used to buy export goods to the organs and enterprises that supply such goods in the country as domestic currency, for it is foreign currency by its true nature.
- It does not have to wait until the end of the year of the plan, after consideration and approval are made as to the fulfillment of the obligation to deliver goods for export in accordance with the state plan norms, to be used, but rather can be used right during the business and production process.

Here are the sources of supply of Vietnamese currency coming from foreign currency (articles 14, 15 and 45):

- 70 percent of the foreign currency profit collected due to export in excess of the plan norms of the economic organizations (included the foreign trade organizations doing specialized business) after principal and interest are paid to the bank (in a true sense, the economic organizations get 100 percent of the foreign currency profit obtained, but since the common procedures require them to contribute 30 percent of it to the export foreign currency fund, they actually get 70 percent, which is different from the case of small-scale import and export activities in the past, with the units concerned getting 100 percent of it).
- 15 percent of the foreign currency profit in the case of imported goods used for re-exporting in the form of retailing to collect foreign currency, after principal and interest are paid to the bank.
- 70 percent of the actually collected foreign currency of economic organizations in the localities in the following cases:

- a. To directly deal and sign export contracts with other countries.
- b. To let the corporations specialized in doing export business do the work.
- c. To resolve by themselves the question of getting the necessary raw materials and materials for the production of export goods.
- d. To finance by themselves the production of export goods with the foreign currency obtained and the sources of financial collections in the localities.

According to the common procedures, all of the foreign currency coming from the above sources is to be converted into Vietnamese currency, which actually is foreign currency and is therefore called Vietnamese currency coming from foreign currency; as a result, the economic organizations owning it have full right to use it at any time.

In conjunction with the export market zones, the Vietnamese currency coming from foreign currency is divided into two categories:

- Vietnamese currency coming from socialist foreign currencies.
- Vietnamese currency coming from free foreign currencies.

The Vietnamese currency coming from socialist foreign currencies, with certification from the bank, can be withdrawn from accounts of this kind to pay for goods and materials at import costs, as mentioned earlier in the section about the right to use socialist foreign currencies.

The Vietnamese currency coming from free foreign currencies can be converted at the bank to get free foreign currencies for use to import or to request the specialized corporations to import goods.

The scope of use of this kind of currency also varies with the various forms of organization:

- For the central economic organizations, Vietnamese currency coming from foreign currency is used to expand and develop business and production (mainly in the case of production installations), or to promote fluidity of capital (mainly in the case of communications organizations).
- For the local economic organizations, the scope of use is broader: in addition to the above-mentioned uses, they can use Vietnamese currency coming from foreign currency to import materials, which will be sold in exchanges or as a means of encouragement, and a number of necessary consumer goods in order to balance money and goods delivered for export in the local budget.

Moreover, the Vietnamese currency coming from foreign currency deposited in the bank earns interest in accordance with the common state regulations, unlike the right to use foreign currency which does not yield any interest.

The financial and credit procedures in regard to the right to use foreign currency and Vietnamese currency coming from foreign currency do not stop at the above-mentioned benefits, but they are indeed an economic lever, a form of management in which the state indirectly invests in production, and have the effects of a means of mobilization and encouragement, and more importantly they create favorable conditions for business and production organizations to heighten their spirit of self-sufficiency, to avoid the tendency to depend on their superior echelons and the state and to emphasize self-ruled business and production.

5598

C80: 4209/318

ECONOMIC PLANNING, TRADE AND FINANCE

EFFECTS OF DRV CURRENCY DIRECTIVE

BK280910 Hong Kong AFP in English 0829 GMT 28 Jun 81

[Report by Bernard Estrade]

[Text] Hanoi, 28 Jun (AFP)--Vietnam's currency, the dong, has effectively been demonitised this weekend so far as foreigners are concerned in a move aimed at making greater use of strong currencies and particularly the dollar.

In line with a series of administrative measures taken progressively in this direction since the beginning of the year, the Vietnamese press published a "directive" from the prime minister's office on Saturday aimed at doing away with the profitable black market currency trade.

This trafficking flourishes in Ho Chi Minh City--formerly Saigon--as well as in Vietnam's austere capital, Hanoi.

The usual official rate of exchange is one dollar for 2.62 dong while the tourist rate is one dollar for four dong.

But the black market rate has risen sharply in the space of a few months. In March it was one dollar for 17 dong, and "experts" such as Western diplomats or currency dealers have told this correspondent that they expect the rate to reach a record 30 dong per dollar.

The problem is not often mentioned in public, but the authorities are aware of what is going on. The various official bodies which have contacts with foreigners began by adopting what were effectively black market prices.

Then on Friday they announced simply that all dealings would be done in foreign currency.

The dollar has thus become an official unit of account, although expenses such as the purchase of petrol or the payment of wages to Vietnamese employees can be made in sterling, West German marks, Swiss francs or yen.

Economic reality has therefore forced itself onto a country officially committed to "pure and hard" socialism, but where there has always been a strain of pragmatism.

In addition, rumours which cannot be confirmed suggest that there is another black market in Hanoi which handles...roubles. But the rate is said to be nine dong for a rouble which means that even here the dollar reigns supreme.

Directive 135 published in the press on Saturday recalls that foreign money cannot be held by Vietnamese citizens or companies, and said that any currency holdings must be deposited officially with the banks by 31 July together with gold or silver and diamonds.

But it seems unlikely that this will have much effect despite the accompanying threat that failure to comply will result in punishment.

A currency dealer in Saigon told this correspondent recently that "all the measures taken by the authorities have had the effect of pushing up the rate," and he did not seem worried by the outlook.

While trafficking is evident in Ho Chi Minh City, it is less so in Hanoi. In the former city of Saigon, trade is done only in 50 or preferably 100 dollar bills.

The most dealt note has a face value of 100 dollars, dated between 1969 and 1975 when North Vietnamese troops entered Saigon, and signed by Treasury Secretary of State (as received) Michael Blumenthal.

This greenback carries a premium of about 10 percent, while in Hanoi dealers accept 10 dollar banknotes.

But it's a risky business for a foreigner. Vietnam has seen several currency changeovers in a few years and there is a high chance of being left with a bundle of valueless paper.

And as black marketeering is illegal, foreign traffickers can find themselves on a plane for home rather earlier than they had planned.

CSO: 4220/335

ECONOMIC PLANNING, TRADE AND FINANCE

BRIEFS

DECISION ON BANKING CHANGES--On 24 June, the SRV Council of Ministers decided to change the status of the Vietnam Construction Bank. Instead of being directly subordinate to the Ministry of Finance, it will be directly subordinate to the Vietnamese State Bank. The Council of Ministers also decided to establish the Vietnam Investment and Construction Bank (Ngân Hàng Đầu tư và Xây dựng Việt Nam). The Vietnam Investment and Construction Bank has the duty of attracting and managing all sources of capital devoted to capital construction. This includes all organs, production and trade organizations as well as social welfare organizations. [Text] [BK290520 Hanoi Domestic Service in Vietnamese 2300 GMT 28 Jun 81]

CSO: 4209/377

AGRICULTURE

'NHAN DAN' ON AGRICULTURE SUCCESS IN MEKONG DELTA

BK030117 Hanoi Domestic Service in Vietnamese 1100 GMT 2 Jul 81

[Text] On the occasion of the fifth founding anniversary of the SRV, NHAN DAN today carries an article by (Van Son) on agriculture in the Mekong River delta area over the past 5 years, 1976-1980.

Dealing with the process of agricultural development of the Mekong River delta area since the liberation of South Vietnam, the author writes: Turning from the tradition of cultivating one 10th-month rice crop annually, peasants in the Mekong River delta area are expanding and turning the winter-spring and summer-fall rice crops into two main crops.

Peasants in this area have increased winter-spring rice acreage from 189,000 hectares in 1976 to 427,000 hectares in 1980 with production yield of 32 quintals per hectare and the total output of 1.95 million tons of paddy. Thanks to the multicropping and intensive cultivation method, within 5 years peasants in the Mekong River delta area have supplied to the society more than 2.2 million tons of paddy.

The movement to carry out water conservancy projects in Long Phu District of Hau Giang Province which was imbued with revolutionary will and incentives has mobilized and gradually expanded water conservancy work throughout the Mekong River delta area. As a result, almost half a million hectares of fallow land abandoned by the population concentration policy of the former regime has become luxuriant with rice and subsidiary crops in a matter of a few years.

Achievements scored by the Mekong River delta area in agriculture have led to unprecedentedly great victories such as the six consecutive successful crops which have contributed to a significant improvement of the people's daily life in the area and to the grain obligation task.

CSO: 4209/377

AGRICULTURE

GRAIN PRODUCTION STATISTICS REPORTED

BK261551 Hanoi Domestic Service in Vietnamese 1100 GMT 26 Jun 81

[Text] According to the Ministry of Food, as of 25 June the north had delivered to state granaries an amount of grain equivalent to 69.1 percent of the grain procurement plan for the 5th-month spring crop season, with the grain obligation quota fulfilled by 78.8 percent.

Nghe Tinh, Haiphong, Ha Nam Ninh, Ha Son Binh and Hai Hung have all fulfilled their grain obligations, with Haiphong municipality exceeding the set quota by 8 percent. Following Nghe Tinh and Haiphong, Ha Nam Ninh Province, as of 23 June, had fulfilled 100.11 percent of its grain obligation quota for the 5th-month spring crop season or 64.5 percent of the annual target. It had collected 5,067 tons of paddy for the repayment of debts--19,000 tons (figure as heard, presumably 1,900) more than in the 1980 5th-month spring crop season and 60 days earlier than last year. By the same date, Ha Son Binh had achieved 91.3 percent of its grain procurement plan, with the obligation quota fulfilled by 100.1 percent. As of 24 June Hai Hung had fulfilled 101.8 percent of its grain obligation quota.

As compared with the 1980 5th-month spring crop season, the rate of grain procurement in the northern provinces this year has doubled. Many provinces and districts in the lowlands, midlands and zone 4 have finished harvesting the 5th-month spring rice with higher yield and output than last year. The successful application of the product-based contracts in rice cultivation has created a new atmosphere for the procurement of grain.

At present, the grain sector and the various localities are striving to fulfill their grain obligations for the 5th-month spring crop season by the end of June to greet the first session of the Seventh National Assembly and the Fifth National Party Congress.

CSO: 4209/377

AGRICULTURE

CASES OF UNILATERAL USE OF PUBLIC LANDS BY INDIVIDUAL CLARIFIED

Hanoi NHAN DAN in Vietnamese 30 Apr 81 p 3

[Answer to Readers' Letters Column: "On Full Use of Land for Production"]

[Text] Though the full use of land to continuously increase production is a policy encouraged by the party and state, many pieces of fallow land found in many areas have not been lent to cooperative members. Feeling sorry for this state of affairs, a number of cooperative members have unilaterally opened and reclaimed these lands without the cooperatives' agreement. This has led to numerous disputes detrimental to solidarity in rural areas. In view of the peasants' worry, the Land Management Department (Ministry of Agriculture) has given the following answer:

Decision No 318-CP of 10 September 1979 of the Government Council stipulates: If a cooperative possesses fallow land but has no conditions for land opening and reclamation, it must entrust this task to production units, labor groups, village mass organizations, cooperative members' households or public agencies and army units. The person credited with having opened a new land will be allowed to use it for a period of 5 years and those having reclaimed a fallow land will be entitled to use it for 3 years; afterwards, these lands must be returned to the cooperative's management. On taking back these lands, the cooperative must appropriately compensate the persons having earned the merit of opening and reclaiming them. The persons credited with having opened new lands or reclaimed fallow ones have the right to use all the products reaped from these lands and are exempted from taxes according to the policy in force and are not obliged to pay any type of tax or fee to the local authorities throughout the land tenure.

To avoid controversies stemming from unilateral opening and reclamation of new and fallow lands, on 18 August 1980 the Ministry of Agriculture issued Circular No 11-NH/TT clearly specifying the implementation of Resolution No 318CP as follows: The lending of fallow lands for production purposes must be based on the state regulations and written down in an agreement between the land borrower and lender both of whom must strictly carry out their pledges. The agreement must specify the responsibilities of each side as well as the borrowing period and return date. When the lending time is near expiry, the land owing unit must draw up a plan to continue production. The local land management organ must keep a register to closely follow and manage the lands lent.

Cases of unilateral opening and reclamation of new and fallow lands without the agreement of the land owning unit or without the authorization of the competent organ must be dealt with according to Directive No 231-TTg of 24 September 1974 of the premier of the government on strengthening land management and according to Decision No 201-CP of 1 July 1980 of the Government Council. However, if an examination of the actual circumstances reveals that the person who has unilaterally opened a new land or reclaimed a fallow one is fully capable of performing production, that his family is large but has few lands to carry out auxiliary economic activities and that his income is low and his life difficult, if the land owning unit cannot use these lands immediately after retrieval and if the permission of this family to continue working on these lands neither hampers the production plan of the unit nor undermines its internal unity-- it is then advisable to allow this family to continue production on these lands. Nevertheless, it is necessary to criticize or blame the error made in unilaterally opening new lands or reclaiming fallow ones; moreover, the land borrower must be held responsible for implementing regulations on the obligation to perform production himself, to grow yearly crops for production purposes and, if he is a cooperative member, to perform the exact number of man-days and deliver the exact amount of fertilizer specified by the cooperative; the land borrower is not allowed to unilaterally expand the borrowed land, to hamper the production task of neighbors and also to dig ponds, build houses, manufacture bricks and tiles or carry out capital construction on the borrowed land; the land borrower must also keep intact the fertility and farming status of the borrowed land so that it may be immediately used for production when it is returned to the land owner; finally, the land borrower must return all the borrowed lands at the expiry of the borrowing period. If the land borrower fails to exactly implement the abovementioned regulations, the land owning unit may request the return of the land and the person failing to abide by these regulations will have to compensate the losses caused by him.

9332

CSO: 4209/324

AGRICULTURE

EDITORIAL UNDERLINES PRODUCT CONTRACT SYSTEM, LABOR ALLOCATION

Hanoi NHAN DAN in Vietnamese 28 Apr 81 p 1

[Editorial: "Product Contract and Labor Allocation"]

[Text] Specialized cultivation zones and specialized production sectors have taken shape among agricultural cooperatives in the northern provinces. The income reaped from animal husbandry and handicrafts represents a large percentage of the total income of a collective production unit. Beside basic production units, many cooperatives have teams and units specialized in and responsible for such tasks as soil preparation, water regulating, seed propagation and selection, vegetation protection and so forth. The coordination of special task teams and units with basic production units will form a new type of cooperation in performing productive labor in the rural areas and will contribute to increasing agricultural labor productivity.

Applying the product contract system is a new, progressive management measure which is helping exploit the potentials of the existing labor force and land and material-technical bases in order to increase productivity and grain output. As a labor organizing method linked to the remuneration of the laborer according to the quantity and quality of his product, the new contract system will help develop various forms of work assignment and cooperation in agricultural cooperatives, increase labor productivity, develop agriculture comprehensively and expand various handicrafts.

To boldly broaden the application of diverse forms of contract in the agricultural field is to create conditions for rationally applying them to various production sectors and jobs involved in the production process. Based on the goals and principles set forth, different forms of contract must be employed flexibly according to the nature of labor and the standard of management. Letting out animal husbandry on contract must not be done in the same way as letting out rice cultivation on contract; nor must the contract assignment of work to laborers engaged in handicrafts be similar to the contract assignment of work to people engaged in crop cultivation and animal husbandry--not to speak of the necessary compatibility of each form of contract with each animal breed to be raised and each variety of crop to be grown or with the nature of the manufacture of each handicraft product. Despite the need to flexibly employ various forms of contract, linking remuneration to the end product must be a guideline to be rigorously followed to induce laborers to pay greater attention to the result of production. To uniformly apply the principle of income distribution based mainly on the number of man-days and to comprehensively apply the product contract system is a condition for ensuring implementation of the new process of labor allocation among cooperatives and promoting equal development of the crop cultivation sector and others.

The application of the product contract system in the rice cultivation sector will raise new problems concerning labor allocation and cooperation. In the past, labor was assigned to each job and cooperation effected among various jobs in the production process. According to the new working method, labor allocation and cooperation must be effected mainly in each production stage to fully use the existing material-technical bases and to better employ the working abilities and material possibilities of each individual and each peasant household. A harmonious arrangement of the collectively assumed jobs with those accepted by each individual by virtue of an end-product contract requires a continuous heightening of the sense of responsibility on the part of the cooperative management board and the production unit's guidance committee and also necessitates a constant improvement in their managerial ability.

It is necessary to grasp the directive of the Party Central Committee Secretariat, the resolution of the Government Council on income distribution in cooperatives and the circular of the Ministry of Agriculture on ways to implement the contract system while seeing that reward and penalty measures are taken not only toward persons contracting to do the last three jobs (in the production process) but also toward those doing the five jobs assumed by the collective and those carrying other trades. If all that is done, all laborers in the cooperative will become enthusiastic about production and will take an interest in the end result of production, thus enabling the cooperative to comprehensively develop production.

9332

CSO: 4209/324

AGRICULTURE

AGRICULTURE SITUATION IN LATE JUNE

BK011421 Hanoi Domestic Service in Vietnamese 2300 GMT 30 Jun 81

[Review of agricultural activities over the past 10 days]

[Summary] Thanks to sunny and warm weather during the last 10 days of June, all tasks related to the 5th month-spring crop and 10th-month crop production have been carried out in a satisfactory manner. As of now, the northern provinces have completed harvesting the 5th month-spring rice. According to preliminary statistics, the average rice yield attained by the northern provinces in this crop season was 2.3 tons per hectare.

"Immediately upon completing the harvest of the 5th month-spring rice, all localities shifted their fieldwork to the cultivation of the 10th-month rice. By late June, all tasks in preparation for the 10th-month rice crop had been carried out much faster than in the same period last year. The area of 10th-month rice seedlings has been expanded to more than 120,000 hectares."

Last week, due to warm weather and little rainfall, some 8,000 hectares of 10th-month rice seedlings have been affected by lack of water while another 10,000 hectares have been ravaged by insects and blight.

Along with sowing rice seedlings, all localities have accelerated soil preparation for the cultivation of the 10th-month rice on schedule. To date, the northern provinces and cities have completed this work on nearly 700,000 hectares, an increase of some 300,000 hectares over the same period last year. However, the area mechanically plowed is smaller than the same period last year.

"As of late June, the northern provinces and cities had planted 10th-month rice and upland rice on 200,000 hectares, with 10th-month rice accounting for more than 120,000 hectares--some 40 percent of the early 10th-month rice area. Although cultivation of the summer-fall rice is already over, the southern provinces and cities have been able to plant this rice on only 530,000 hectares, or just over 80 percent of the planned acreage." These provinces and cities are now actively caring for and protecting this rice in order to achieve a high yield to make up for the shortfalls suffered in certain areas.

"In addition to cultivation of the summer-fall rice, the southern provinces and cities have transplanted 10th-month rice on 530,000 hectares, representing

26 percent of the planned acreage. Gia Lai-cong Tum, Dong Thap and An Giang provinces, which take the lead in the cultivation of this rice, have completed 70 to 90 percent of their planned norms."

"As of late June, the nation had transplanted 85 percent of the summer-fall rice acreage and 24 percent of the 10th-month rice planned area." It is noteworthy that state rice farms in the southern provinces have plowed 58,000 hectares of the planned 60,000 hectares for rice cultivation. As of late June, these farms had transplanted more than 40,000 hectares of summer-fall and 10th-month rice.

As for subsidiary crops, northern provinces and cities to date have planted more than 40,000 hectares of vegetable and subsidiary crops for the summer-fall season, while southern provinces and cities have planted more than 25,000 hectares of summer soybean--1.8 fold the previous crop.

According to a report by the Meteorological and Hydrological General Department, weather conditions in the coming days will be sunny and hot with less rainfall. Localities therefore, should concentrate on the following tasks:

--Bring all facilities and water pumping machinery to bear to drain and supply water to dry ricefields and promptly transplant the early 10th-month rice on upland areas to increase rice acreage.

--Use insecticides to eradicate harmful insects in infested areas and prevent them from spreading into the transplanted early 10th-month rice area.

--Mobilize the workforce and integrate all facilities to plow land and transplant the early 10th-month rice promptly while ensuring sufficient water for the transplanted areas.

--Arrange for balanced use of draft cattle to prevent them from dying due to overwork.

--Southern provinces must accelerate the pace of 10th-month rice transplanting, care for the 5th-month spring rice and strive to quickly harvest all the 10th-month rice areas to make up for the shortfall in the winter-spring and summer-fall rice and fulfill the state plan norms for grain production in 1981.

CSO: 4209/377

AGRICULTURE

NORTHERN PEASANTS PREPARE FOR 10TH-MONTH CROP

BJ280956 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Jun 81

[Text] Elated over the success of the harvest of the first 5th month-spring rice crop under the product-based contract system, collective peasants in the north are shifting their fieldwork to the cultivation of the 10th-month rice. By quickly harvesting the 5th month-spring rice at an early date and continuously expanding the application of the product-based contract system, the production of fertilizer for this year's 10th-month crop cultivation has been carried out much faster than last year.

With regard to soil preparation in particular, as of 20 June the north had plowed 60,000 [as heard] hectares of land for the cultivation of the 10th-month rice, an increase of 50 percent over the same period last year and faster than most previous years. Many cooperatives have completed this work on 70 to 75 percent of the area slated for the 10th-month rice crop. Ha Nam Ninh Province has completed soil preparation on more than 70,000 hectares--a 2-fold increase over the previous 10th-month crop season--and is striving to complete this work on the entire area before 20 July.

Noteworthy is that in many localities, thanks to the application of the product-based contract system and because of the need to sow and transplant rice on schedule, cooperatives and their members have purchased tens of thousands of additional water buffaloes in an effort to carry out soil preparation in a quick and careful manner. Although the area mechanically plowed is still small, soil preparation for this year's 10th-month crop has been carried out faster than last year.

CSO: 4209/377

AGRICULTURE

BRIEFS

PREMIER COMMENDS PROVINCES--As of 23 June, the following rice collection and purchase status was noted: 33,650 tons including 32,050 tons of obligatory rice or 100.1 percent of the plan norm for 5th-month spring crop in Ha Son Binh Province; 76,087 tons including 71,020 tons of obligatory rice or 101.4 percent of the plan norm in Ha Nam Ninh Province; and 77,090 tons including 76,944 tons of obligatory rice or 102.6 percent of the plan norm in Hai Hung Province. In a message, the premier warmly commended the people and cadres of Ha Son Binh, Ha Nam Ninh and Hai Hung provinces for these achievements, and expected that they would implement the policy of grain distribution well within the agricultural cooperatives, accelerate the cultivation of rice, subsidiary food crops and vegetables on schedule, ensure the fulfillment and overfulfillment of the 1981 state plan norms for gross production of grain and foodstuffs, and, at the same time, strive to economize on grain in order to pay all debts, if any, and to barter for goods and materials with the state. [Text] [BK020335 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Jul 81]

AGRICULTURAL FIGURES FOR SOUTH--According to VNA, as of 25 June, southern provinces and cities from Quang Nam-Danang southward had transplanted "30,117 hectares of summer-fall rice, achieving 81.1 percent of the plan norm or more than 7,000 hectares over the same period last year. The central coastal provinces of Quang Nam-Danang, Nghia Binh, Phu Khanh and Thuan Hai have transplanted 126,115 hectares, achieving 88.2 percent of the plan norm. Eastern Nam Bo provinces and Ho Chi Minh City transplanted 33,380 hectares, achieving 87.8 percent of the plan norm. Nine provinces in the Mekong River Delta transplanted 370,622 hectares, achieving 78.9 percent of the plan norm. Dong Thap Province over fulfilled the plan norm by 10.3 percent while Nghia Binh Province overfulfilled it by 4 percent and Udaong Nai Province by 3.7 percent. The best period for transplanting the summer-fall rice is over and most provinces are concentrating efforts on planting the 10th-month crop. Long An and Kien Giang provinces, engaged only in winter-spring and summer-fall crops, will complete the harvest of the summer-fall crop by mid-July. Ninh Hai Province is moving more slowly due to the high saline level of its land. While embarking on the 10th-month crop, southern provinces and cities are actively caring for the summer-fall rice crop and protecting it from harmful insects. [Text] [BK040848 Hanoi Domestic Service in Vietnamese 0400 GMT 4 Jul 81]

LONG SON RICE--As of 20 June Long Son Province had transplanted the early 10th-month rice on more than 2,500 ha, covering 20 percent of the slated area. In

particular, the province's five border districts, although constantly faced with a tense situation caused by Chinese troops, have transplanted 1,500 ha of rice, fulfilling 30 percent of the plan. [BK300119 Hanoi Domestic Service in Vietnamese 1100 GMT 27 Jun 81]

THUAN HAI CROPS--As of 20 June Thuan Hai Province had planted nearly 40,000 ha of summer-fall grain crops, fulfilling 70 percent of the plan. This figure includes almost 16,000 ha of rice. As the seasonal period for planting summer-fall crops is going to end soon, the province is now urging all localities to use new short-term and high-yield rice strains for cultivation in this season. [BK300119 Hanoi Domestic Service in Vietnamese 0400 GMT 28 Jun 81]

HAIPHONG SOIL PREPARATION--Haiphong has finished initial plowing on more than 31,000 ha of ricefields, covering 65 percent of the area slated for the 10th-month rice at a rate 5 times faster than the same period last year. [Text] [BK300119 Hanoi Domestic Service in Vietnamese 1000 GMT 28 Jun 81]

LONG AN RICE--As of mid-June the northern districts of Long An and various state farms in the province had planted 35,000 ha of 10th-month rice, fulfilling 28 percent of the plan. The province had also planted 28,000 ha of summer-fall rice, covering 61 percent of the slated area. At present all localities in the province, taking advantage of good weather, are intensively trying to cover the entire 10th-month and summer-fall rice areas on schedule. [BK300119 Hanoi Domestic Service in Vietnamese 1100 GMT 27 Jun 81]

AN GIANG RICE--To date An Giang Province had planted 180,300 ha of 10th-month rice, fulfilling 85 percent of the area plan. The An Giang, Binh Minh and Toan Thang state farms have all exceeded their rice cultivation plans by almost 1,500 ha. Long Xuyen City and Cho Moi District have overfulfilled their plans by 9.64 percent. Thoai Son District, which boasts of the largest 10th-month rice area in the province, has finished rice cultivation on almost 30,000 ha. [BK300119 Hanoi Domestic Service in Vietnamese 1100 GMT 26 Jun 81]

HAU GIANG RICE--In grain procurement, Hau Giang Province has to date fulfilled 83 percent of the quota for the entire year. On the production front, the province has spent over 2.5 million man-days improving its irrigation network to service hundreds of hectares of summer-fall and 10th-month rice. Thanks to good irrigation, the province has now planted 72,000 ha of summer-fall rice and 66,000 ha of 10th-month rice, using new high-yield varieties with high resistance to harmful insects. [BK300119 Hanoi Domestic Service in Vietnamese 2300 GMT 27 Jun 81]

AN GIANG GRAIN COLLECTION--To date An Giang Province has collected more than 100,000 tons of paddy produced in the winter-spring crop season. This figure, which represents 120 percent of the planned norm and shows the largest volume of paddy ever achieved by the province, includes 16,400 tons collected under the form of agricultural taxation. [BK010617 Hanoi Domestic Service in Vietnamese 0400 GMT 30 Jun 81]

HAU GIANG GRAIN DELIVERY--To date Hau Giang Province has delivered 217,500 tons of paddy produced in the 10th-month crop and winter-spring crop season to state

granaries. This figure represents more than 77 percent of the annual plan. To date the province has also completed soil preparation on more than 177,000 hectares and planted 10th-month rice on 79,000 hectares or 23 percent of the planned acreage. [BK010617 Hanoi Domestic Service in Vietnamese 1100 GMT 29 Jun 81]

SOYBEAN CULTIVATION--According to the General Statistics Department, as of 15 June the entire country had planted almost 29,000 ha of soybeans. This figure, though still falling short of the projected area, represents an increase of 180 percent over the same period last year. The northern provinces and cities have planted 3,276 ha of summer soybeans, fulfilling 44.1 percent of the plan and scoring an increase of 135.2 percent over the same period last year. Meanwhile, the southern provinces and cities have planted 25,523 ha of summer soybeans, an increase of 185 percent over the same period last year. [BK070603 Hanoi Domestic Service in Vietnamese 1100 GMT 30 Jun 81]

HA BAC BUMPER CROP--The cooperatives in Ha Bac Province have just finished harvesting a bumper 5th-month spring rice crop with an average yield of 21 quintals per hectare--overfulfilling the plan by 1.4 percent and scoring an increase of 9.2 percent over last year's 5th-month spring crop. Almost all districts in the province have had a good crop. During this crop season, 494 cooperatives in the province--78 percent of the total--with more than 90 percent of the total area applied product-based contracts. [BK070603 Hanoi Domestic Service in Vietnamese 2300 GMT 1 Jul 81]

THAN HOA 10TH-MONTH RICE--As of 2 July Thanh Hoa Province had planted 10th-month rice on 42,000 hectares or 25 percent of the planned acreage. Along with planting rice, cooperatives in the province are intensively securing water for the protection of 20,000 hectares of land already plowed and 5,800 hectares of newly transplanted rice against drought. [Hanoi Domestic Service in Vietnamese 1100 GMT 3 Jul 81]

WATER CONSERVANCY--The Water Conservancy Ministry held a conference from 25 through 27 June in Ho Chi Minh City to review the past 6 months' water conservancy activities in support of production in the southern provinces and to set forth tasks for the last 6 months of the year. Over the past 6 months, the management and exploitation of farmland water conservancy projects in many southern provinces have been satisfactorily carried out. Nearly 90 percent of the winter-spring crop have been irrigated, more than 4 million workdays provided by workers, and 8 million cubic meters of earth removed. During the last 6 months of the year, the southern water conservancy branch must insure enough water for irrigating the summer-fall rice crop and the 10th-month rice crop. It must coordinate with the agricultural sector to firmly grasp the situation of seed sowing and rice cultivation and the developments of hydrological conditions to promptly control drought, waterlogging and flash floods. [OW300147 Hanoi Domestic Service in Vietnamese 1430 GMT 28 Jun 81]

CSO: 4220/335

HEAVY INDUSTRY AND CONSTRUCTION

HON GAI ACCELERATES COAL LOADING INTO SHIPS

Hanoi NHAN DAN in Vietnamese 28 Apr 81 p 1

[Text] VNA--Since the beginning of the year, the Hon Gai Coal Sorting Enterprise (Hon Gai Coal Corporation) has stepped up the handling of coal for export and domestic consumption. The enterprise has signed coal loading contracts including reward and penalty provisions with customers and owners of transportation means. The enterprise director and the production control bureau have kept a regular watch and exercised close guidance to ensure that the plan to load coal onto each ship by each shift is carried out at the specified speed. The enterprise has formulated regulations and broadened the contract system of paying wages according to the end product obtained in workshops. In particular, the pier-depot workshop has applied the method of letting out on contract the complete loading of each ship with provisions for prompt rewards in kind so as to encourage workers to perform the exact number of working days and hours and to increase productivity.

By carefully inspecting and maintaining equipment and handling it according to technical and safety regulations, machine operators in two electric crane teams in charge of loading export coal have increased the loading capacity of many shifts by 200 to 300 tons as compared with the past and, on some days, have even tripled the export-coal loading capacity.

The enterprise has fulfilled its loading contracts with seven foreign ships 5 or 6 days ahead of schedule.

During the emulation drive in the first 20 days of April to perform production to greet the election of the Seventh National Assembly and the International Labor Day, the enterprise handled more than 100,000 tons of coal for consumption purposes, overfulfilling the operational plan by 3.4 percent.

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CSO: 4209/324

HEAVY INDUSTRY AND CONSTRUCTION

HON GAI SURPASSES COAL TRANSPORT NORMS

Hanoi NHAN DAN in Vietnamese 30 Apr 81 p 1

[Text] VNA--In the first quarter of 1981, the Hon Gai Coal Sorting Enterprise surpassed the principal plan norms and was awarded the traveling emulation banner of Uncle Ho.

In transporting coal from the mines, the enterprise overfulfilled the plan norm by 2.6 percent, surpassed the plan norm by 4.5 and 20.8 percent for washed coal and briquettes respectively, exceeded the plan norm by 2 percent in the consumption of anthracite and increased labor productivity by 7 percent. The enterprise fulfilled 27 percent of the yearly plan norm, surpassing the norm achieved in the first quarter of 1980 by 10.2 percent. By closely coordinating the activities of various sections responsible for repairing cars, maintaining locomotives and arranging and gathering cars, the enterprise raised the number of trips performed each day to transport coal from the mines from 18.4 in 1980 to an average of 22 in the first quarter of 1981. The two Hon Gai-Ha Tu and Hon Gai-Ha Lam railroads were quickly repaired and for long did not experience any traffic jam--which positively enabled the Ha Tu and Ha Lam mines to overfulfill the plan norm by 1.5 and 4.5 respectively.

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HEAVY INDUSTRY AND CONSTRUCTION

BRIEFS

THANG LONG BRIDGE CONSTRUCTION--Hanoi, 27 Jun (VNA)--The first steel girder of the Thang Long Bridge, the biggest bridge across the Red River, was installed on 24 June, opening a new labour emulation drive on the construction site to greet the Fifth Congress of the Communist Party of Vietnam due to be held late this year. When completed, the Thang Long Bridge, a dozen kilometres northwest of Hanoi, will have 15 spans, a 5,503 meter railway, a 3,300 meter road and an 11 kilometer network of approach roads. Its construction began with Chinese assistance in November 1974. When China unilaterally cut off its aid to Vietnam in July 1978, only 9 of the 14 pillars of this project had been laid and not a single steel girder was available. With Soviet assistance since June 1979, the blueprints have been modified and the construction work has been speeded up. The steel girders began to be produced in the Soviet Union. By now, all of the 14 main piers, more than half of the pillars for the railway and a huge amount of work on the two abutments have been completed, paving the way for installation of the steel girders. The first steel girder, 112 meters long and weighing 2,600 tonnes is connected with the northern abutment. Other girders will be installed on the other pillars across the river. [Text] [OW300147 Hanoi VNA in English 0713 GMT 27 Jun 81]

CSO: 4220/335

LIGHT INDUSTRY

EDITORIAL STRESSES THREE-INTEREST HARMONY IN HANDICRAFT, ARTISAN INDUSTRY

Hanoi NHAN DAN in Vietnamese 30 Apr 81 pp 1, 4

[Editorial: "Properly Associating Three Types of Interest in Handicraft and Artisan Industry Production Installations"]

[Text] In their capacity as collective economic organizations, handicraft and artisan industry cooperatives are basic production units of the socialist economy which practice the economic accounting system, which assume responsibility for production, which are independent financially and which apply the principle of distribution according to labor.

For many years, almost all handicraft and artisan industry cooperatives have applied different forms of product contract with laborers. By taking the initiative in production and business, improving technique, rationalizing production and doing accounting, many installations have made profit and have, therefore, been able to reap a substantial income, to satisfactorily fulfill the obligations to the state and to induce cooperative members to work more eagerly.

A reference to the basic views expressed in the resolution of the Sixth Party Central Committee Plenum and in Resolution No 26 of the Political Bureau has revealed the existence of many problems worthy of consideration in applying the principle of association of three types of interest among handicraft and artisan industry production installations. Settling the relationships among three types of interest is not the ultimate goal of production but merely a managerial principle and method to be followed to achieve high economic effectiveness. A misunderstanding of this question will lead to deviation.

The fundamental and most comprehensive condition for ensuring the three types of interest is to incessantly step up the conduct of three revolutions among handicraft and artisan industry cooperatives. To do so is to provide a basis for promoting production development, increasing the volume of goods, raising labor productivity, lowering production cost and consolidating the socialist production relationships in the collective economic domain. Only on this basis can cooperatives steadily increase their income and have opportunities to satisfactorily fulfill their obligations to the state, to increase their welfare funds and to heighten the laborers' income. If the three revolutions are not properly carried out and if production increases slowly or not at all, it will be impossible for cooperative members to reap a high income. In handicraft and artisan industry cooperatives, the relationships among the interests of the state and those of the collective and laborers show up in many aspects, especially with regard to prices, taxes, delivery of products to the state and income distribution within the cooperative.

Since the contract-manufacture and purchase prices of many kinds of product were fixed long ago, they contain many irrationalities which hamper production but which have been corrected slowly or only partially. These prices do not yet accurately reflect the actual production expenditures. Since many types of raw materials, fuel, transport means and staple commodities have not been sufficiently supplied by the state, installations have had to buy them at high prices, which has resulted in a rapid increase in the production cost. In view of this situation, it is urgently necessary to adjust the contract-manufacture and purchase prices of many categories of goods in order to enable production installations to make up for expenditures, to reap a reasonable profit and consequently to distribute income according to the three-interest principle.

On the part of production installations, they need eliminate the tendency to falsely state the manufacturing cost, to lower the qualitative standards of products, to keep back part of the raw materials supplied and to seek illegitimate profit to the detriment of the state interests.

Though a supplemental policy on industrial and commercial taxes has been promulgated by the state, certain installations have not paid taxes in full and have falsely declared their turnover and income while many individual producers are even a number of cooperation teams have abstained from registering their businesses so as to evade taxation. There have been instances of insufficient delivery of goods to the state by certain production installations which have kept back raw materials for sale at a high price on the market. There are also customers who have failed to abide by the economic contracts they had signed, who have not applied the principle of equality in their relations with cooperatives and who have infringed on the laborers' interests.

The income of each cooperative must be divided into three parts: the first to be used to pay wages to cooperative members, the second to fulfill the obligation to pay taxes and debts (if any) to the bank and the third to contribute to joint funds. Income distribution has also been replete with unwholesome practices. Some installations live from hand to mouth and have failed to set aside part of their income to make appropriate investments in expanded reproduction or to sufficiently and appropriately contribute to collective welfare and social security funds and to funds used to provide training and to give out material rewards. There is also a tendency to neglect the laborers' wages, to reserve an unduly large part of the income for the joint funds and to pay too low wages to cooperative members who have, therefore, lost enthusiasm for production. The application of averageism in remunerating laborers is still rather rampant. The labor enthusiasm of skillful workmen and managers has not been stimulated because their income is not substantially higher than that of ordinary ones.

The product contract method is an important factor in the system of economic levers which have not yet been improved and perfected. The diversity of trades in the handicraft and artisan industry requires that appropriate forms of contract be determined, that unit contract-prices be fixed to lay a basis for fair and rational distribution and that the habit of entrusting entire works on contract be eliminated. Each production installation must deduct a larger portion of its income than in the past to raise funds for rewards in kind and must, at the same time, formulate a system with specific bylaws on rewards and commendations and promptly give our rewards and commendations as strong stimuli for increased labor productivity.

To correctly resolve the problem of relationships among the three types of interest is also to realistically settle the relationships among various economic levers as a system. The elimination of the abovementioned shortcomings and the correct application of economic levers will have the great effect of promoting the fulfillment of the state plan as well as the continued transformation, consolidation and perfection of the new production relationships in the sector of handicraft and artisan industry.

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TRANSPORTATION AND COMMUNICATIONS

BAC THAI PROTECTS RAILWAY PROPERTY, MAINTAINS SAFETY

Hanoi NHAN DAN in Vietnamese 28 Apr 81 p 2

[Article by Pham Viet Thanh (BAC THAI Newspaper): "Bac Thai Maintains Railroad Safety"]

[Text] The Bac Thai Provincial People's Committee recently met with representatives of various services and sectors, railroad district 1, locally stationed army units and districts, villages and subwards adjacent to the railroad to discuss the task of maintaining order and security along it.

Stretching over 68 kms, the Bac Thai railroad passes by seven stations and substations and traverses part of the land belonging to 12 villages and 6 subwards. The railroad public security force, local authorities and protection units have coordinated activities to carry out patrol and inspection on trains and at railroad stations and open fields in order to ensure transportation safety. A typical example has been set by the people and the protection committee of Phu Xa Subward (Thai Nguyen City) who employed 350 persons in the past 2 years to carry out patrol and control and succeeded in discovering and retrieving for the state's benefit 6 quintrals of rice, more than 1 ton of coal, nearly 1 ton of steel, 100 tons of roofing iron and 1,200 kgs of chemical fertilizer. The protection of socialist property has also been satisfactorily ensured by the people in Trong Thanh and Tan Thanh Subwards, Dong Quang and Quang Vinh Villages and by security team No 47, the Luu Xa railroad public security post and the Pho Yen railroad section office.

Besides these good points, negativistic practices have continued to develop, causing damage to cars, locomotives and commodities. Smuggling and robbery have taken place on trains. The systems and regulations of the railroad sector have been loosely applied. In view of this situation, the Provincial People's Committee has set up a guidance committee to track down hooligans, thieves, smugglers, railroad ticket dealers and illegal residents round railway and bus stations. The province has also drawn up a plan to strengthen and rebuild railroad stations. The Trade Service has been assigned the task of opening more restaurants and inns to serve passengers. The Railroad General Department has supervised the implementation of regulations on the protection of railroads, the maintenance of bridges' safety and the strengthening of railroad stations and substations in order to help put the activities of the railroad sector into the right track.

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TRANSPORTATION AND COMMUNICATIONS

BRIEFS

BAC THAI ROAD BUILDING--The Bac Thai Provincial Party and people's committees recently awarded letters of commendation and banners to M-73 group for its outstanding achievements in building roads to mountain areas, thus creating favorable conditions for various localities to develop economy and strengthen national defense. Using both mechanical facilities and manual labor, the group has excavated millions of cubic meters of earth and rocks for use in roadbed building, extracted 45,800 cubic meters of rocks of various kinds, ballasted 47 km of road and built 10 wooden bridges. These works have made it possible for trucks to transport goods to remote villages and for the province to exploit precious resources of the mountain areas. [BK241255 Hanoi Domestic Service in Vietnamese 0400 GMT 19 Jun 81]

CSO: 4209/377

POPULATION CUSTOMS, AND CULTURE

BRIEFS

BUDDHIST DEPUTIES GET-TOGETHER--On 28 June the Vietnam Unified Buddhist Association [VUBA] and the Hanoi Buddhist Association [HBA] held a get-together with bonzes and superior bonzes who are deputies of the Seventh SRV National Assembly. Addressing the get-together on behalf of the VUBA and HBA, Superior Bonze (Thich Giam Sinh) expressed confidence in the success of the first session of the Seventh National Assembly. [BK300117 Hanoi Domestic Service in Vietnamese 1100 GMT 28 Jun 81]

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